

**THE REBELLIOUS AND UNGOVERNABLE BARBERTON  
COMMUNITY AGAINST BARBERTON MINES (PTY) LTD**

by

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## **DECLARATION**

Sir/Madam,

I declare that this dissertation is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

**Signature**

**Miss Fortunate Nomxolisi Ngomane**

**November 2018**

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## ABSTRACT

This is a study of community protest against Barberton Mines (Pty) Ltd. It is a study of conflict and conflict resolutions.

Barberton Mines (Pty) Ltd is one of the three gold mining companies in Barberton, and is in dire need of a bankable community/stakeholder relation management strategy, which should at least reduce, if not eliminate, the endless violent community protests against its operations.

Methodologically, the study is predicated on a qualitative approach backed by oral interviews and the use of a survey. The study reveals that as much as the community appreciates Barberton Mines for its delivery in socio-economic development initiatives, Barberton Mines' recruitment and procurement departments are not doing any justice in terms of preferred policy in favour of the locals/Barberton community. This is a key source of conflict. The results also reveal that the Barberton Mines Transformation Trust (BMTT), a vehicle established for socio-economic development in Barberton, is considered to be ineffective by the community and is one of the causes of the conflict. The resolutions of the conflict include the effective implementation of the mining legislation and unrolling of the Mining Charter. The effectiveness and lack thereof of these conflict resolutions are subjected to analysis in this study.

*Key Terms: Mining Communities; Recruitment of general workforce in Mining Communities; Mining Charter; Conflict in Mining Communities; Community Protest; Community Trusts; Traditional Royalties; Community's Equitable Shareholding; Preferential procurement in mining communities; and Illegal Mining.*



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# **CHAPTER 1**

## **INTRODUCTION AND RESEARCH DESIGN**

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### **1.1 INTRODUCTION**

The South African mining sector is one of many economic sectors that contribute to the country's Gross Domestic Product (GDP). Antin (2013:6) states that the mining sector has directly contributed an average of 8% to the country's GDP over the last decade. In real terms, however, the contribution has regressed from 7% to 5%. The mining industry generates approximately 18% of the economy's activity, and the key downstream industries (that use mineral resources) are: the electricity sector, as 94% of electricity is produced from domestic coal; the steel sector, in which 80% of products are made from domestic inputs; and the cement industry, where about 99% of all product is made from locally mined products.

Antin (2013:7) further indicates that the economic impact of the mining industry complex is also acutely felt by the South African labour market, considering that it provides over 1.3 million jobs. A concerning factor for the industry and the country, in general, is that approximately ten people are dependent on every wage that is paid by the mining industry.

As much as the sector's contribution to the country's GDP continues to backslide, the sector continues to experience protests from both internal (labourers) and external (communities) sources. Internally, both the employer and the employee are governed by the Labour Relations Act, which provides a framework within which employees and their labour structures can collectively bargain with their employers regarding wages, terms and conditions, and other matters of mutual interest. It is, however, disturbing that there is no standard structured mechanism in place that can be of assistance for both communities and mining firms to destabilise community protests in mining towns. The Mining Charter 2010 is of no use in issues relating to addressing or dealing with community protests in mining communities, and as a result, the absence of such has led to endless community protests in mining communities across South Africa.

Evans (2015) provides insights into the complexity of the land question and marries it with the plethora of issues that underlie community protests that plague the platinum belt. It further presents evidence that while platinum mining has benefitted mining capital and elites such as the Royal Bafokeng Nation, the wealth has failed to trickle down to the lower classes. Yet it is the lower class – especially the workers, villagers and residents in informal settlements – that has emerged on the margins of the mines who bear the brunt of the worst effects of mining. Such failures result in community protests against local mining firms.

The community of Barberton also opted to demonstrate their anger against Barberton Mines by blocking access to the main offices of the mine. According to Barberton Mines' Social and Labour Plan (SLP) Impact Assessment Report (2009-2015:14), between 2013 and 2015 the community has blocked the roads leading to Barberton Mines' head office (Fairview Mine) 12 times. This results in interrupted production, leading to profit losses. With these protests the Barberton community demanded local employment, ownership, tenders/business contracts and the forceful dismissal of all general workers from outside Barberton (those commuting on a daily basis from Nkomazi – Nkomazi Local Municipality is within the Ehlanzeni District Municipality – to Barberton and back), so they (local youth) can be employed. The community also insisted on the establishment of community forums that will deal with the recruitment of labourers.

The reality is that should the Barberton community continue to behave in such a manner, and Pan African Resources/Barberton Mines continue to experience profit losses due to production interruptions as a result of the community's mass actions against its operations, the mine's closure is imminent. As the only surviving gold mine in Barberton that contributes to the positive wellbeing of its employees, community, local and provincial government, such closure would be catastrophic.

## **1.2 BACKGROUND TO THE RESEARCH PROBLEM**

The South African Government News Agency (2014) reported that South Africa is a world leader in mining, and mining remains the bone of the country's economy. It is also a world leader in terms of protests. The country's massive and varied mineral reserves play a vital role in the economy, accounting for nearly half of the country's merchandise exports, including beneficiated products. Mining is also the country's largest employer. According to STATS SA

(2018), the sector is an important player in the South African economy and contributes R8.00 of every R100.00 produced by the national economy; it also employs one in every 40 working individuals (2.5% of the entire workforce).

Protests in the mining sector come in two forms; labour and communities. The focus of this research is on community-driven protests in mining communities. As per the Mail & Guardian (Evans, 2015) report, one well-organised community-driven protest in Rustenburg nearly brought the platinum mines in the area to its knees. Communities take to the streets, demonstrating their anger as a result of land ownership, BBBEE ownership, a polluted environment, traditional structures like Royal Bafokeng Administration (RBA), and the Rustenburg Municipality. Differing land ownership regimes impact on how effective these protests are, depending on which authority is responsible for service delivery. Thus, land ownership regimes in these areas and attachment to a place arguably have a bearing on how communities construct a sense of belonging and, by extension, a sense of entitlement. Matebeleng is situated on land owned by the Rustenburg Municipality. The Number Nine informal settlement is privately-owned land, but is claimed by the RBA, while Luka Village is under customary authority.

Issues of land ownership, BBBEE ownership, royalties, poverty, unemployment, business opportunities and socio-economic development are some of the key challenges in mining communities, leading to community protests, and production and profit losses for mining companies. In a Community Protest: Local Government Perception (South African Local Government Association, 2015) report published by the South African Local Government Association (SALGA), it is further reported that other key factors that trigger or motivate community-driven protests include tender irregularities, perceived corruption, employment opportunities, land and many more. For example, community members identify employment as a key factor that leads them to the streets, “as unemployment remains a challenge to local government and service delivery” (Barberton Mines, 2018).

In Barberton, for instance, where there are three gold mining companies, community-driven protests seem to be the order of the day; the demand is primarily for employment opportunities in the local mines. The Barberton Mines’ Quarter 4 Financial Report (2018:18) stated that in June 2018, Barberton Mines recorded the highest profit loss of R134 000 000.00 ever recorded

in its existence as a result of the 39 days community protest, which started on the 27<sup>th</sup> of March 2018 and dragged on to the 4<sup>th</sup> of May 2018.

The problem is that the community's target is single-folded; only one mining company, Barberton Mines (Pty) Ltd (hereafter referred to only as Barberton Mines), which appears easily accessible to all. In the far east of the mine's operations, there are two gold mines, Lily Mine and Barbrook Mine, both owned by Vantage Goldfields. Right in the heart of Barberton Mountainlands, you find Barberton Mines, a subsidiary company of Pan African Resources who owns Fairview Mine, New Consort Mine and Sheba Mine. In the far-west of Barberton, there's a very small gold mine called Agnes Mine, owned by Galaxy Gold.

Presently, Agnes Mine (Galaxy Gold) is a harbour for illegal miners, with no reports or recorded contributions towards the social wellbeing of the local community. Shareholders and management are employing all possible avenues to keep it alive. However, with all the profit losses as a result of illegal mining activities, the mine is struggling to keep its gates open and retrench general labourers as and when required. As a result, most of its labour (both skilled and non-skilled) force has been retrenched.

On the other hand, Vantage Goldfields, which experienced a sinkhole in February 2016 that led to the deaths of three miners whose bodies were never recovered, has declared bankruptcy and closed its doors, leaving a total of 3468 of its workers jobless (Nkosi, 2016).

Barberton Mines' Socio-Economic Report (2016), as presented during the City of Mbombela Mining Indaba 2016, proved beyond any doubt that Barberton Mines was and is the only mining company in the area that contributed and still contributes beyond expectations to local socio-economic development, job creation and enterprise development. Despite such an achievement by Barberton Mines, which was also confirmed by local political leadership, recognised/organised community structures, and the Department of Mineral Resources (DMR), the young community members of Barberton continue to be rebellious against Barberton Mines. What really confuses everyone is that Vantage Goldfields and Galaxy Gold, who did nothing for the Barberton community, gets away with everything; including unsafe mining which led to the collapse of Lily Mine, retrenchments, failure to share profits/plough it back to Barberton, etc.

### **1.3 THE PROBLEM STATEMENT**

The problem under investigation is that of conflict; the conflict between the community and the mines. Barberton Mines, one of the three gold mining companies in Barberton, is in dire need of a bankable community/stakeholder relation management strategy, which will reduce, if not eliminate, the endless community protests against its operations in Barberton. This is as a result of the ongoing community-driven protests, mostly by young people, due to the community's accusations that the local mine (referring to Barberton Mines) fails to recruit local people/youth, develop skills, develop local entrepreneurs, practice biased socio-economic development programmes that target only certain wards, failure to acknowledge local Traditional Council (non-payment of royalties to the local Chiefs), BBBEE ownership owned by non-Barbertonians, and the Barberton Mines' failure to recognise local business in its procurement processes.

On the other hand, while the community continues to block access to Barberton Mines' operations (Fairview Mine, Sheba Mine and New Consort Mine), the Mine loses production and profits. Such losses do not only affect the Mine, but the community as well. The reality is that reduced income is equals to reduced spending; therefore, if the Barberton Mines continue to lose production and profits, spending on socio-economic development goes down, employment opportunities are reduced, and at worst retrenchments ensue or the Mine closes.

### **1.4 RESEARCH OBJECTIVES**

The primary objective of this explanatory research was to get an in-depth understanding of the Barberton community's anger towards Barberton Mines. Such actions result in production and profit losses for the company. The fear is that if concerned parties and community leaders fail to stop this action, Barberton Mines may be forced to retrench its workers or close down.

It is in that regard that this research sought to;

- a) Understand the root cause of the Barberton community's anger against Barberton Mines.
- b) Establish measures that can be taken to resolve the conflict between Barberton Mines and the Barberton community.
- c) Identify the role of local government and other key role players.

- d) Assess the role of misinterpretation of mining legislation as a cause of conflict.
- e) Identify key obstacles to the application of the Mining Charter.
- f) Evaluate the contribution of the Mining Charter to the resolution of conflicts.
- g) Proffer remedies to the conflict based on research.

The key research questions cascading from these key research objectives were:

- a) What are the causes of conflict between the community and Barberton Mines?
- b) How can it (conflicts) be resolved?
- c) What is the role of differing interpretations of the mining legislation to the conflict?
- d) How is the Mining Charter used as a means of conflict resolution?
- e) What does this research offer as a remedy to the conflict?

## **1.5 SCOPE OF THE STUDY**

This study was based in a very small gold mining town, Barberton, newly amalgamated City of Mbombela Local Municipality (formerly known as Umjindi Local Municipality), under Ehlanzeni District Municipality, Mpumalanga Province, South Africa.

According to Ehlanzeni District LED Strategy (Ehlanzeni District Municipality, 2014:18), Barberton/Umjindi is situated in the southern part of the Ehlanzeni District Municipality. It is a historical gold mining area set in magnificent surroundings. The geographical area of the municipality is 1,745.36 square kilometres. Barberton is 30km from Swaziland (Piggs Peak) and 90km from Mozambique. Umjindi's economy is largely characterised by gold mining, forestry, agriculture and tourism. Other key sectors of the economy are trade, transport, finance and construction.

Barberton's main economic sectors are gold mining, agriculture and cultural/heritage tourism. Barberton Mines has a total labour force of 1860, of which 1503 labourers reside in Barberton (Barberton Mines SLP 2015-2019:7). The area's unemployment rate is 24.1% and the poverty rate is 35/6% (Umjindi Local Municipality, 2015:27).





**Figure 1.1: Location of Barberton (Ehlanzeni District Municipality LED Strategy 2014:18)**

## 1.6 IMPORTANCE OF THE STUDY

Conflict in mining communities across South Africa could have been triggered by many factors, including the mining companies' failure to comply with the 2014 Mining Charter national targets. The DMR also contributes to the challenges by failing to provide adequate interpretation (in favour of mining communities) of key terms such as "COMMUNITY" in the Mining Charter (2010). For example, the Mining Charter (2010:iii) defines the term 'community' as a coherent, social group of persons with interest of rights in a particular area of land which the members have or exercise communally in terms of an agreement, custom or law.

In South Africa we have three spheres of Government and the term 'community' is interpreted differently. Each sphere of government has its own generic interpretation; for example, national government views and interprets 'community' as South Africa, the provincial government defines 'community' looking within its provincial boundary, and seemingly, even local government views and perceives 'community' as residents residing within the municipal boundary.

This has created unnecessary misunderstandings between Barberton Mines and the Barberton community since DMR sees Barberton Mines as one of the mining companies that comply with most elements of the Mining Charter. However, the community denies this, citing that locals/Barbertonians are not benefitting from the recruitment, supply chain and beneficiation processes of Barberton Mines.

## **1.7 LIMITATIONS OF THE STUDY**

Babbie (2014:302-304) indicates that qualitative research enables researchers to observe social life in its natural habitat – to go where the action is and watch. Field research recognises several nuances of attitude and behaviour that might escape researchers using other methods. Moreover, field research might also aid researchers in examining the rumblings and final explosion of riots as the events actually occur, rather than afterwards in a reconstruction of the events.

Muntingh (2011:61) states that many methods can lead the researcher to a better understanding of the unknown and which accommodate the numerous different forms of data are likely to take. Muntingh (2011:62) further defines the quantitative research method as a method used to quantify the problem by way of generating numeric data or data that can be transferred into usable statistics – used to quantify attitudes, behaviours, opinions, and other defined variables. Quantitative data collection methods include surveys, online polls, etc.

Factors that limit any study include the budget, the unpredictable behaviour of the targeted population/group, manpower and time. This study had no budget, and required travelling costs (to focus group interviews, taking and collecting survey questionnaires from various community centres), telephone costs (to arrange focus group discussions and survey questionnaire delivery), as well as printing costs (survey questionnaires).

The unpredictable behaviour of the targeted survey population (youth) may also have been a weakness to this research since the youth have a proven record of violent and illegal protests against Barberton Mines.

This type of research requires more time and a helping hand since it involves a string of interviews and surveys. Accessing the community at large (individuals and other organised

structures) was not problematic as relevant local social media groups (Facebook) and the local community radio station (Barberton Community Radio) was used to spread the news and get interested parties to partake in the study. However, moving around, taking and collecting survey questionnaires required a helping hand and it was time-consuming.

## **1.8 RESEARCH METHODOLOGY**

This study is predicated on a qualitative methodology. Babbie (2014:93) describes the research design as a scientific enquiry that comes down to observations and interpreting what is being observed. However, before a researcher can observe and analyse, a plan is needed, mainly to determine what is going to be observed and analysed, why and how.

This explanatory research therefore adopted the mixed method approach, using the qualitative research method for structured interviews (focus groups) and the quantitative research method through surveys (self-administered questionnaires). Mahlangabeza-Piliso (2016:47) identifies qualitative research instruments as tools that are based on naturalistic approaches that aim to understand the phenomenon in context; meaning, the research is conducted in real-life situations and not experimented. Creswell (2003:18) identifies the quantitative research approach as a method in which the researcher primarily uses post-positivist claims to develop knowledge, employs strategies for inquiry (such as experiments and surveys), and collects data on predetermined instruments that yield statistical data.

Wushe (2014:59) justified that mixed method research has grown in popularity primarily as a result of its ability to allow triangulation in developing construct validity, and the simultaneous pursuit of different but related objectives in empirical research.

The researcher was thus certain that the mixed method approach was the most suitable design for this study. The qualitative approach enabled the researcher to interact and observe the participants closely. This allowed both the researcher and participants to engage (through open-ended discussions) further on the matter, give guidelines and establish a positive way forward through feedback. The quantitative method (survey) not only allowed ordinary households to give their views on the matter, but ‘excavated’ the unknown truth from the vulnerable or reserved (those who never get a chance to speak in public gatherings) households/community members.

### **1.8.1 Research Instruments**

Research instruments are the most important tools and methods used to gather information and data from both primary and secondary sources. To ensure efficient results in this study, in the qualitative approach three different questionnaires (one-on-one interviews) were utilised and one standard questionnaire was used for the focus groups.

The three sets of qualitative one-on-one interviews were prepared differently, to suit and address each stakeholder's concerns accordingly. The first set of questions was for identified community group leaders, the local Chief and local government (Municipal Manager, Ward Councillors and the Speaker). The second set of questions was developed for the mining regulator (DMR), focusing strictly on mining regulation and its impact on the sustainable mining sector in mining communities. The last set was designed for the management team of Barberton Mines, together with the Chairman of the labour union, National Union of Mineworkers (NUM).

There was one standard set of questions for the focus group discussions with all identified locally based organisations.

In the quantitative survey, a closed-ended survey questionnaire with SiSwati translation was randomly distributed to 225 households adjacent to Barberton Mines; 120 households at Emjindini Township (Barberton) Ext. 11 (eleven), 40 households at Sheba Siding, 33 households at eMlambongwane (Mandela) Village, 12 households at Noordkaap, 11 households at Emjindini Trust and nine households at Sinqobile (Verulam) Township.

### **1.8.2 Questionnaire (Primary Data Collection)**

Wushe (2014:62) defines a questionnaire as a list of questions to measure attitudes, opinions and behaviour amongst respondents.

As discussed in Section 1.8.1, there were three different sets of one-on-one interviews with one standard questionnaire for focus groups. The three sets of interviews had specific mandates; for instance, the DMR questionnaire was specifically developed to

- a) measure if DMR was aware of the negative impact of the unclear interpretations/definitions in the 2010 Mining Charter, which is still in force after the revised 2015 Mining Charter was recalled,
- b) monitor and evaluate DMR's mechanism used to measure the 2014 Mining Charter national compliance target and communication strategies to notify or give necessary performance feedback to mining communities,
- c) establish the existence of strategies/plans on community awareness programmes at DMR, and
- d) consider the existence of any youth empowerment programmes/strategies such as small-scale mining at DMR level and its links to mining companies' SLPs.

The second questionnaire was designed and developed for community leaders (political leaders, traditional leaders and organised community organisations). It focused on key objectives of this research, and possible ways forward on how best Barberton Mines and the community of Barberton can work together and grow the local mining sector in Barberton.

The last qualitative approach questionnaire was for Barberton Mines' management and its labour union (NUM), to gather necessary information on the proposed strategies to resolve the conflict, recover the financial losses from community protests, and the long-run stakeholder management plan.

Through the quantitative approach that targeted 225 households, one standard closed-ended survey questionnaire was developed, focusing on the key objectives of this research. The questionnaire was distributed to households as specified in Section 1.8.1, accompanied by a cover letter from the researcher, stating both the academic reasons and objectives of the research.

### **1.8.3 Library Research (Secondary Data Collection)**

Mahlangabeza-Piliso (2016:49) states that secondary data collection involves the analysis of any material that contains information on the research topic, including written data (published or unpublished documents), reports, administration documents, newspaper articles, etc.

According to Wushe (2014:62), literary searches provide insight into current knowledge with a view to identifying the strengths and weaknesses of previous related empirical studies. For effective results of this research, various journals on community protests were carefully studied and analysed. This also included various community newspaper publications, the 2010 Mining Charter, the 2015 Mining Charter (recalled), as well as both the 2009 and 2015 Mining Charter Impact Assessments reports as published by the DMR.

#### **1.8.4 Structured Interviews**

Babbie (2014:326) defines the qualitative interview as an interaction between an interviewer and a participant in which the interviewer has a general plan of inquiry including the topics to be covered. A qualitative interview is essentially a conversation where the interviewer establishes a general direction for the conversation and pursues specific topics raised by the participant.

This research followed both qualitative and quantitative data collection methods. Qualitative interview methods were employed in the individual and focus group discussions with identified community-based organisations. The interviews targeted community groups and its leaders, management of Barberton Mines, the Barberton Mines' branch of the NUM, local government (City of Mbombela Local Municipality) and SLP officials from DMR.

Babbie (2014:276) stipulates that the most common form of self-administered questionnaire is the mail survey, however, several other techniques are used as well. The self-administered survey questionnaire was chosen for quantitative data collection, where the researcher delivered questionnaires to selected households and collected the questionnaires at agreed times. The closed-ended questionnaires, accompanied by a covering letter, were delivered to the 225 randomly selected households. Completed questionnaires were collected after fourteen days from date of delivery.

For the purpose of participants' confidentiality and protection, no photographs or camera recordings were used during data collection.

### **1.8.5 Key Informant Interview and Pilot Testing**

To gather sufficient information to assist the researcher in offering remedies to the conflict, four one-on-one pre-interviews were scheduled with four ordinary unemployed youth (two males and two females) residing in semi-developed and non-affected wards in Barberton/Emjindini Township. Two additional interviews were scheduled with key informants (Secretaries) of well-respected and recognised local youth structures; SANCO and ANCYL.

### **1.8.6 Reliability and Validity**

Wushe (2014) states that validity in research is concerned with the extent to which an instrument measures what is intended to measure, while reliability in research is concerned with the ability of an instrument to measure consistency.

In this research, both qualitative and quantitative approaches were applied to address the key research objectives. The use of both approaches prevented inaccuracy in the results, since Babbie (2014:152) states that reliability does not ensure accuracy any more than it ensures precision.

Validity, as defined by Babbie (2014:154), refers to the extent to which an empirical measure adequately reflects the real meaning of the concept under consideration. Validity means that we are actually measuring what we say we are measuring.

Mahlangabeza-Piliso (2016:51) further states that validity can take place externally and internally. External validity is when results obtained in a study can be generally used for other people and settings, and internal validity is used to measure a concept under study accurately so that there are no constant errors.

Consistency in responses from both qualitative and quantitative data collection methods was closely monitored for effective results of the research.

### **1.8.7 Ethical Consideration**

#### **1.8.7.1 Ethics**

The most basic principles of the Policy on Research Ethics of Unisa (University of South Africa, 2013) were followed in this research. This policy gives clear guidelines for research involving human participation which, amongst others, address the relationship between researchers and participants, informed consent, privacy, anonymity and confidentiality.

The researcher obtained permission from Barberton Mines – the key player in this research – to proceed with the research. When positive feedback and recommendations were received from communities and relevant stakeholders, such information was shared with the company. Local government (City of Mbombela Local Municipality) was also approached through the office of the Speaker, to permit affected Councillors to partake in the research; this permission was granted. Permission was also obtained from leaders of the targeted local community structures (political and non-political), including from the office of Emjindini Traditional Council, under the leadership of Chief Prince KMV Nkosi. The Ethics Committee of the University of South Africa also gave permission for the research to proceed.

#### **1.8.7.2 Voluntary Participation**

Babbie (2014:64) advocates for voluntary participation in both social and experimental research; no human being must be forced to participate in any research; instead, participation must be voluntary.

For that reason, all identified or targeted participants were notified and officially asked to partake in the research. If they were unavailable, they were requested to nominate or second their counterparts. Alternatively, the researcher identified other participants with similar capacity or influence in the community.

#### **1.8.7.3 No harm to Participants**

Babbie (2014:65) further advocates for the respect of persons, including minors, justice, and never injuring the people being studied.



Mahlangabeza-Piliso (2016:53) also states that researchers should be especially alert to the human dignity of participants in research and try to communicate in all aspects of the research project with respect.

All participants were thus treated with respect. Moreover, for maximum effective participation in respect of those who could not speak, read or write English, the survey questionnaire was written in both SiSwati and English, which are commonly used in Barberton. This was to ensure effective participation, respect and dignity for participants' literacy levels.

#### **1.8.7.4 Anonymity and Confidentiality**

Babbie (2014:68) describes anonymity as a guarantee in a research project that neither the researchers nor the readers of the findings can identify a given response with a particular participant. Confidentiality is a guarantee in a research project that the researcher can identify a specific person's responses but promises not to do so publicly. Anonymity and confidentiality principles were addressed in Unisa's approved consent forms, where participants were given assurance of their confidentiality and anonymity statuses, and the consequences the researcher may face in case of breach of promise.

### **1.8.8 Sampling**

#### **1.8.8.1 Targeted Population and Sampling Size**

Wushe (2014:62) defines the target population as the entire group of individuals or objects of interest to the researcher, or alternatively a full set of cases from which researchers are interested in generalising conclusion.

In this research, the target population was the African population in and around Barberton Mines, Ward 45 (Ext. 11), Ward 44 (Emjindini Trust), Ward 43 (Sheba Siding, eMlambongwane, Noordkaap and Sinqobile Township), NUM, DMR, local political leaders, local SMMEs, etc.

### **1.8.8.2 Units of Analysis**

Babbie (2014:101) describes units of analysis as what or who is being studied; in social science research, the most typical units of analysis are individual people. Wushe (2014:61) further reiterates that units of analysis are important in concept development, the empirical measurement or observation of a concept, and in data analysis.

Accordingly, this research identified key units of analysis for positive outcomes, and they were (in no particular order) the Management team of Barberton Mine, leaders of NUM (Barberton Mines Branch), Ward Councillors of affected wards (Wards 43, 44 and 45), leaders of local business forums, community forums and youth structures, the DMR and targeted 225 households.

### **1.8.9 Data Management and Analysis**

Data analysis in this research was predominantly qualitative data analysis, supported by the findings of the qualitative data.

Qualitative analyses can strengthen qualitative studies (Babbie, 2014:428). Thus, a qualitative assessment of graphs clarifies the quantitative data in a way that no other representation could. In quantitative data analysis, the principles of Univariate Analysis and Subgroup Comparison applied. Babbie (2014:448) further indicates that subgroup comparisons tell us how different groups in a population respond to each question. This research also applied the principles of subgroup comparison, closely monitoring responses amongst the working-class group of unemployed youth and members of the recognised community structures in Barberton.

## **1.9 CONCLUSION**

The chapter presented a clear background of the study area, whereby it revealed that Barberton has three mining companies; one of them Barberton Mines. Seemingly, Barberton Mines is the community's preferred employer, since two other mining companies hardly get targeted by the community in terms of protests and demands for employment/business opportunities. The chapter also detailed the research objectives of the study, including the research design.

In the next chapter, the theoretical framework of the study is presented.

## **CHAPTER 2**

### **THEORETICAL FRAMEWORK**

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#### **2.1 INTRODUCTION**

This chapter provides a theoretical framework for the study in terms of conflict in the Barberton Mines. The chosen framework is that of conflict and conflict management. The chapter, therefore, defines the concept ‘conflict and conflict management’ in the first instance before delving into the applicability of the conflict and conflict management theory to the situation in Barberton Mines.

It is in this regard that the theory of this framework focuses on conflict and conflict management, with a specific focus on companies and communities. Elements leading to conflict in mining communities are discussed in depth, with a guide on managing conflict between companies and communities. The Mining Charter and other mining legislation, together with the impact assessments reports of the Mining Charter, are scrutinised, with the hope of identifying key elements that are believed to be major contributors to conflict in mining communities.

This chapter further establishes key organisational characteristics that may be contributing to conflict, which starts internally and escalates to external factors (communities) as a result of simple misunderstandings between management and workers (union leaders). This led to the dismissal of everyone at the Barberton branch of NUM (Nkosi, 2018).

The chapter further identifies strategic mechanisms that may be of help to manage conflict between Barberton Mines and the community. It was anticipated that vigorous conflict and conflict management theories could assist the researcher in producing a set of principles, tools and strategies for promoting inclusive, sustainable and healthy mining community stakeholder relationships, taking the local context (beliefs, tradition and morals) into account, and involving relevant community members, community-based structures, businesses and social movements.

## **2.2 CONFLICT**

Lipsky and Avinger (2010:3) define 'conflict' as rational disputes between two or more parties. 'Conflict' is inevitable in organisational life, but it need not have destructive consequences for the organisation (or workgroup). Depending on how the conflict is managed, the negative effects may be minimised, and positive effects may result from the conflict. Lipsky and Avinger (2010:3) further identify three types of conflict, namely Relationship Conflict, Value Conflict, and Interest Conflict.

Relationship conflict, as defined by Lipsky and Avinger (2010) is a personal perspective and can arise when one person behaves negatively, or another person has a skewed perception due to things like stereotypes and rumours. The relationship between people is affected negatively, and performance is eroded in the workplace due to poor team cohesion.

Lipsky and Avinger (2010) define Value Conflict, which arises when two people or groups have dissenting views on moral values; the basic understanding that what is naturally right is wrong. Relationships and value conflicts are the most subjective conflict types because they are entirely based on what someone 'feels' about a person or situation.

Lastly, Interest Conflict arises when one person's desired outcome conflicts with another person or group's interests (Lipsky & Avinger, 2010). Typically, this occurs when one person believes that another person's desires, if enacted, will prevent his or her own interests from being met. This type of conflict can be experienced when two people who have relationship conflict are asked to work as a team.

### **2.2.1 Importance of Dealing with Conflict**

Lipsky and Avinger (2010:38) state that dealing with conflict in organisations has traditionally been the responsibility of managers and administrators who took an authoritarian view of conflict and how to deal with it. Organisations that address conflicts and disputes in this manner often fail to recognise that conflict is inherent in organisational life and has both potential benefits and costs.

The authors (Lipsky & Avgar, 2010:4) also speak of features of dealing with conflict, showing results of both poorly and effectively handled conflicts. Accordingly, poorly handled conflicts are likely to result in sour relationships, resentment, ill health, low productivity and unresolved and simmering problems. On the other hand, when conflict is correctly dealt with, it is likely to result in improved relationships, a relaxed atmosphere, improved communication, empowerment, efficient problem solving, high productivity, a sense of achievement and team cohesion.

## **2.3 CONFLICT MANAGEMENT**

Conflict management, according to Nelischer (2016:2), is the practice of identifying and handling conflicts in a sensible, fair and efficient manner that prevents it from escalating out of control. Good conflict management recognises the value of ‘constructive conflict’ in encouraging participants to engage and communicate to develop a shared understanding of the issues at hand.

Afzalur-Rahim (2001:76) further state that what any organisation/company requires is conflict management rather than conflict resolution, since conflict management does not necessarily imply avoidance, reduction or termination of conflict. Instead, it involves designing effective strategies to minimise the dysfunctions of conflict and enhances the constructive functions of conflict in order to increase the learning and effectiveness of an organisation.

### **2.3.1 Conflict Management Styles**

Afzalur-Rahim (2001:80) identifies five styles of conflict management, as discussed next.

#### **2.3.1.1 Integrating Style**

According to Afzalur-Rahim (2001), this style is useful for effectively dealing with complex problems – when one party alone cannot solve the problem. This style is valuable when utilising the skills and other resources from different parties to define or redefine a problem and to formulate effective alternative solutions for it and/or when commitment is needed from parties for effective implementation of a solution.

### **2.3.1.2 Obliging Style**

This style is useful when a party is not familiar with the issues involved in a conflict, or one party is right, and the issue is much more important to the other party (Afzalur-Rahim, 2001:83). This style is appropriate when a party is coming from a position of weakness or believes that preserving a relationship is important.

### **2.3.1.3 Dominating Style**

As briefly explained by Afzalur-Rahim (2001:83), this style is appropriate when the issues involved in a conflict are important to the party, or an unfavourable decision by the other party may be harmful to this party. This style may be used by the supervisor/facilitator if the issues involve routine matters or if a speedy decision is required.

### **2.3.1.4 Avoiding Style**

Afzalur-Rahim (2001:83) mentions that this style may be used when the potential dysfunctional effects of confronting someone outweighs the benefits of the resolution of conflict. The style may be used to deal with some trivial or minor issues when a cooling-off period is needed before a complex problem can be effectively dealt with.

### **2.3.1.5 Compromising Style**

This style is a useful one when the goals of the conflicting parties are equally powerful and they have reached an impasse in their negotiation process (Afzalur-Rahim, 2001:83). This style can be used when consensus cannot be reached and the parties need a temporary solution to a complex problem, or other styles have been used and found to be ineffective in dealing with the issue.

Conflict in mining communities is common and has become a norm in South Africa. According to Spoor (2010), community protest against British-based mining companies in South Africa is common, especially in Limpopo Province. The community of Sekimong (Limpopo) resorted to mass action to stop Anglo Platinum and the Department of Basic Education from relocating the Seritarita High School to another village. Moreover, residents of Sekimong raised a critical

concern of being isolated by the mining firms and the local authority for bringing ‘big machines’ onto their land to do business without even asking permission from the community. Muntingh (2011:26) also states that conflict in mining communities arise mostly from a myriad of mostly local issues; from land use to environmental problems to salary disputes. Land use in the South African context has specific importance due to the unequal distribution and use of this resource before 1994.

During the protests in Ogies and Balfour against mining companies (namely BHP Billiton and Burnstone), local communities took to the streets claiming that both companies were not employing local residents (Muntingh, 2011:27). In another dispute, a miner was stoned to death when the minibus transporting mining personnel home from the Smokey Hills Mine in Limpopo Province was stopped and stoned by a crowd of aggrieved community members.

The Benchmarks Foundation (Capel & Coggin, 2017) also indicates that the violent protests that erupted in Ga-Mapela in Mogalekwena Local Municipality in Limpopo Province reflected mining in South Africa as a whole. The protests allegedly followed a decision by Anglo Platinum’s Mogalekwena Platinum Mine to relocate a high school built by the community in the 1970s, to a new facility 14km away.

As reported by the Barberton Times (Nkosi, 2014), the Barberton community has, over the years, become violent and Barberton Mines had been its main target. The Barberton Times (Nkosi, 2014) further reported the rise of ‘panga’/grass-slasher gang groups in Barberton, linked to the local politics and its forceful demand of employment in the local mining companies.

Thus, for effective solution of the conflict between Barberton Mines and the community, it will be in the best interest of all if Barberton Mines can adopt the integrating style, whereby both parties can find solutions to the conflict. This style creates a platform for everyone, and all parties utilise their skills, knowledge and expertise towards a common solution.

## **2.4 CRITERIA FOR CONFLICT MANAGEMENT**

As prescribed by Afzalur-Rahim (2001), for effective conflict management strategies in a tense environment, the following principles need to be satisfied:

### **2.4.1 Organisational Learning and Effectiveness**

Conflict management strategies should be designed to enhance organisational learning and long-term effectiveness (Afzalur-Rahim, 2001:84). To attain this objective, conflict management strategies should be designed to enhance critical and innovative thinking to learn ‘the art of solving problems’.

### **2.4.2 Needs for Stakeholders**

Afzalur-Rahim (2001:84) also indicates that conflict management strategies should be designed to satisfy the needs and expectations of the strategic constituencies (stakeholders) and attain a balance amongst them.

### **2.4.3 Ethics**

Lastly, Afzalur-Rahim (2001:84) states that a wise leader must behave ethically and should be open to new information and be willing to change his/her mind.

## **2.5 CONFLICT MANAGEMENT PROCESS**

According to Afzalur-Rahim (2001), there are about four processes to manage conflict in a workplace and in public participation.

### **2.5.1 Diagnosis**

The first step in the problem-solving process is problem recognition, which involves problem sensing and problem formulation (Afzalur-Rahim, 2001:86). Problem finding and recognition require an appropriate diagnosis of the problems, and identification of the problems of conflict in an organisation must precede any intervention designed to manage the conflict.

A comprehensive diagnosis involves measurements (of the amount of conflict at the intrapersonal, interpersonal and intragroup levels), analysing the amount of conflict and the styles of handling conflict classified by stakeholders, and whether they are different from their corresponding national norms.



### **2.5.2 Intervention**

Afzalur-Rahim (2001:89) indicates that a proper diagnosis should indicate whether there is any need for intervention and the type of intervention required. An intervention may be required if there is too much substantive conflict and/or if the organisational members are not handling their conflict effectively.

### **2.5.3 Process**

Afzalur-Rahim (2001:90) states that the intervention to improve organisational effectiveness can be achieved by changing members' styles of handling interpersonal conflict. This process approach is mainly designed to manage conflict by helping the organisational participants learn how to match the uses of the styles and behaviours in handling interpersonal conflict with different situations.

As suggested by Afzalur-Rahim (2001), learning new behaviour requires transformational leadership and a collaborative organisational culture that supports learning.

#### **2.5.3.1 Transformational Leadership**

As explained in depth by Afzalur-Rahim (2001:91), transformational leadership encourages subordinates and stakeholders to engage in critical and innovative thinking, which is needed for solving the problems. Transformational leadership is appropriate for managing conflict.

#### **2.5.3.2 Organisational Culture**

For conflict management to support organisational learning and long-term effectiveness, it would require cultures that support experimentations, risk-taking, openness, diverse viewpoints, continuous questioning and inquiry, and sharing of information and knowledge (Afzalur-Rahim, 2001:92). Such a culture would encourage substantive or task-related conflict and discourage affective or emotional conflict.

#### **2.5.4 Structural**

Lastly, Afzalur-Rahim (2001:92) advocates for a structural process, which is an intervention attempt to improve the organisational effectiveness by changing the organisation's structural design characteristics, which include differentiation and integration mechanisms, hierarchy, procedures and rewards systems.

### **2.6 ETHICS AND MORALITY FOR CONFLICT MANAGEMENT**

As defines by Afzalur-Rahim (2001:182), morality refers to rules and standards of conduct in a society. It is specific to societies that exist at a certain time and place and is concerned with practices defining right and wrong. Afzalur-Rahim (2001:182) further defines ethics as often restricted rules and norms relating to specific codes of conduct for specialised groups.

Afzalur-Rahim (2001:184) further states that an organisation's leadership should be composed of wise decision makers, while those deficient in justice and wisdom are excluded from the governing groups.

It is in this regard that the leadership of Barberton Mines may have to consider driving efforts of managing the conflict rather than ignoring signs and waiting for action from communities. Such processes are to be driven in a moral manner, respecting the views of the public, while not losing focus of the efficient and sustainable mining business in the area.

### **2.7 RESOURCES FOR MANAGING CONFLICTS IN PUBLIC-PRIVATE PARTNERSHIP**

Davis and Franks (2014:2) cite that unsettled disputes with local communities can result in a range of reputational, financial and liability risks. Community relations problems can also affect a company's local and international reputation and hamper access to business partners and financing. Moreover, disputes may also affect a company's ability to attract and retain skilled workers.

The authors (Davis & Franks, 2014:2) further identify expenditures that are usually associated with uncontrolled disputes, and these are:

- a) lost productivity which occurs from a forced shutdown;
- b) capital losses if a conflict damages property and decreases property value;
- c) reputational risk resulting from higher expenditures on public relations to counter negative information;
- d) personnel costs resulting from hiring specialised staff dedicated to conflict management/absenteeism and work stoppages;
- e) redress costs which are mostly for court-ordered payments/fines/legal fees;
- f) security costs which rise due to contracting additional security services; and
- g) insurance-related costs which also increase due to higher premium charges.

### **2.7.1 Establishment of Grievance Redress Mechanism**

Grievance Redress Mechanisms (GRMs), as defined by Davis and Franks (2014:4), are processes set up by companies as a means for local stakeholders to report or seek to resolve any grievances related to a project. This mechanism (GRM) is extremely beneficial for companies as they have the capacity to prevent a deeper conflict.

Davis and Franks (2014) also emphasise that maintaining an open channel for community concerns alerts companies to weaknesses in their management systems or failures in their production processes and problems that may not be immediately identifiable by project ‘insiders’, like managers or workers.

### **2.7.2 Tools and Guides for Neutral or Third-Party Disputes**

Davis and Franks (2014:5) advise that when the bilateral initiatives such as GRMs do not suffice to resolve a dispute, one or more forms of local third-party dispute resolution may prove useful. Working with the local judicial system is one option that can lend local credibility and it is relatively well understood. Companies may seek for or turn to an alternative dispute resolution in case the judicial redress option proves to be not viable, e.g. arbitration, which is typically best suited for conflicts in which both parties are subject to strict time constraints. Other neutral parties to dispute resolution, such as a public or private sector ombudsman or

human rights officer, may also be the best option to manage disputes between companies and communities.

### **2.7.3 Sectoral and Regional Approaches**

Lastly, Davis and Franks (2014:6) advise that if the local neutral party negotiations fail to resolve the disputes, or if the issues are more serious, an international accountability mechanism may be better equipped to address the situation.

The Barberton Times (Nkosi, 2014) reported that the Umjindi Community Forum is of the view that Barberton Mines' management has no respect for the local community as a result of the company's failure to consult the community in its biased SLP.

It is for this reason that the researcher is of the opinion that it will be in the best interest of all parties if Barberton Mines was to adopt the strategy/approach of GRM and one of Local Third Party. These two options must be resourcefully exhausted, without even considering the international third-party option.

## **2.8 IMPACT OF CONFLICT MANAGEMENT BETWEEN COMPANIES AND COMMUNITIES**

Omisore and Abiodun (2014:127) state that conflict may have both negative and positive consequences for individuals and organisations.

### **2.8.1 Negative Impacts of Conflict**

As prescribed by Omisore and Abiodun (2014), there are three major negative effects of conflict.

- **Psychological responses**

Psychological responses usually push leaders to inattentiveness to other things. It creates a lack of interest in work, job dissatisfaction, work anxiety, estrangement/alienation from others and frustrations.

- **Behavioural responses**

Omisore and Abiodun (2014) further reveal that behaviour responses in individuals/groups are triggered by unresolved conflict, leading to excessive smoking, alcoholism, under-eating or over-eating, aggression towards others or work sabotage, decreased communication and resisting influence attempts.

- **Physiological responses**

Lastly, Omisore and Abiodun (2014:128) indicate that physiological responses are often ignored or go unnoticed, whereas they are deadly and more serious. Signs of physiological responses due to unresolved conflicts include peptic ulcers, respiratory problems such as asthma, hypertension, headaches and coronary problems.

## **2.8.2 Positive Impacts / Benefits of Conflict**

Omisore and Abiodun (2014:128) also speak of the benefits of conflict:

- a) Conflict motivates individuals to do better and work harder – one's talents and abilities come to the forefront in a conflict situation.
- b) Conflict satisfies certain psychological needs like dominance, aggression, esteem and ego, and thereby provides an opportunity for constructive use and release of aggressive urges.
- c) Conflict provides creative and innovative ideas, e.g. employee benefits of the present day are an outcome of the union-management conflict over the past decade.
- d) Conflict adds variety to one's organisational life, otherwise work life would be dull.
- e) Conflict facilitates an understanding of the problems people have with one another and leads to better coordination amongst individuals and departments, in addition to strengthening intra-group relations.

## **2.9 CONFLICT IN MINING COMMUNITIES**

Afzalur-Rahim (2001:17) indicates that the term 'conflict' has no single meaning. However, it is considered as a breakdown in the standard mechanisms of decision making, so that an individual or group experiences difficulty in selecting an alternative.

Conflict in mining communities leads to many illnesses and uncertainties for both communities and local mining firms (shareholders, management and workers). In the case of Barberton, for instance, mining and agricultural sectors are key economic drivers and unresolved community conflict may lead to economic instability and investor rejection.

Muntingh (2011:26) indicates that conflict in mining communities may arise from a myriad of mostly local issues, from land use to environmental problems to salary disputes. The Mining Facts Organisation (2018) also identifies several causes of conflicts in mining communities, which include; a) lack of sufficient consultation and community engagement, b) lack of accurate information on mining impact, c) different expectations on social and economic benefits, d) environmental concerns, e) disputes over land use and economic compensation, f) artisanal and small-scale mining activities, g) migrations to mining areas, and h) employment and skills development.

### **2.9.1 Insufficient Consultations and Community Engagement**

As identified and explained by the Mining Facts Organisation (2018), it is of utmost importance for mining companies to establish a good relationship with governments, local communities and business stakeholders. This is especially important in countries that have a history of colonialism, where past governments have neglected local communities and indigenous people, and where distrust of governments or other groups in society are common. Local communities may also oppose mining operations if they perceive that projects have been imposed on them without sufficient consultations.

During the focus group discussion with the executive Trustees of the Barberton Mines Transformation Trust (BMTT), it was stated that Barberton Mines and BMTT did not directly consult with communities when reviewing and adopting community development programmes for SLP. SLP consultations were conducted through the local municipality's Integrated Development Plans (IDP) processes because the company (Barberton Mines) was of the view that the IDP processes were inclusive of all stakeholders.

However, the results of the ongoing unresolved conflict and community protests against Barberton Mines have proven that the community was not in favour of the IDP consultation route, but preferred direct consultation with Barberton Mines.

The BMTT focus group discussion also raised an important aspect on community-based forums, whereby such forums were believed to be established for personal gain and not for the benefit of the community. In an interview with the Chairman of the Umjindi Community Forum, it was emphasised that his forum was established as a result of the loss of trust in local political leaders and the human resource (HR) recruitment team of Barberton Mines.

### **2.9.2 Lack of Accurate Information on Mining Impacts**

Joyce and McFarlane (2001:202) states that it is difficult to separate the economic impacts of mining operations from the social impacts. Many social problems are direct consequences of poverty, and if mining helps a community become prosperous, it may also help it tackle social ills such as malnutrition, illiteracy and poor health. On the other hand, mining activities can cause economic and social hardships, such as river pollution and damaging fish stocks, for instance, by appropriating grazing land and forestry resources.

Joyce and McFarlane (2001) further identifies social perspectives that contribute to conflict in mining communities, and they include; a) relocation of community settlements as a result of new or expanding large-scale mining, b) migration as a result of the most significant impact of mining activity, contributing to a sudden rise of population in an area, leading to endless growth in basic service delivery demands, including employment opportunities, and c) health sector as an industry that also suffers the most, since the locally available health resource may not be sufficient to accommodate all. Moreover, local residents may be vulnerable to disease brought by outsiders, such as influenza, malaria and HIV/AIDS.

The Barberton Mines' SLP Impact Assessment report (2015) presents only the positive impacts and achievements of Barberton Mines between 2009 to 2015. The report mentions no negativities and proposes no remedies.

### **2.9.3 Disputes over Land Use**

The Mining Facts Organisation (2018) also state that the acquisition and purchase of land for mining is a common cause of conflict between mining companies, other business enterprises and local communities. Some problems associated with voluntary resettlement can take years to surface. For instance, community members may not have the skills needed to maintain

houses built with permanent materials that replace traditional homes; this can lead to homelessness, food insecurity, loss of access to public services and social breakdown. For instance, the Barberton Times (Nkosi, 2017) reported that the Constitutional Court recently upheld a decision by the Supreme Court of Appeal, which dismissed Barberton Mines' application to prospect for gold in a nature reserve. This was after Barberton Mines wanted to expand its operations into the 27 808.5-hectare Barberton Nature Reserve after the DMR granted it a prospecting permit in 2006. However, the Mpumalanga Tourism and Parks Agency (MTPA), a state-owned enterprise, and Mountainlands Estate Owners' Association objected by lodging an appeal with the DMR.

#### **2.9.4 Employment and Skills Development**

Joyce and McFarlane (2001:215) claims that one way that mining firms can contribute to sustainable development is by building human capital through direct training and education of the workforce. Joyce and McFarlane (2001) further states that skills training should not be limited to workers but also extended to the community as a whole, since employment amongst local people is often constrained by a shortage of skills within a community. Large mining operations should be seen as significant opportunities for workers and other members of local communities to develop skills.

The Barberton Mines' Socio-Economic Development Progress Report (2018) reveals that the company offers various skills development programmes through its HR development unit. These include:

- a) Engineering learnerships for employees, funded through Mining Qualifications Authority (MQA)
- b) External bursary programme for mining engineering and related fields
- c) Experiential (P1 and P2) learning programme for mining engineering and related fields, also funded through the MQA

All these skills development initiatives are part of the company's talent pool programme, to address skills shortages and sustainable human capital of the company and the mining sector as a whole.



## 2.10 MINING LEGISLATION AS AN AGENT OF CONFLICT IN MINING COMMUNITIES

In terms of Chapter 2 (Bill of Rights) in the Constitution of the Republic of South Africa, 1996, Section 17 states that “everyone has the right, peacefully and unarmed, to assemble, to demonstrate, to picket and to present a petition”. In Section 24 (b) (iii), a further provision is made that:

*Everyone has the right to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that – secure ecological sustainable development and use of natural resources while promoting justifiable economic and social development.*

The Mineral and Petroleum Resources Development Act, No. 28 of 2002 (MPRDA) (SA DMR, 2015) has the following objectives contained in Chapter 2, Section 2:

- a) Recognise the internationally accepted right of the State to exercise sovereignty over all the mineral and petroleum resources within the Republic;
- b) give effect to the principle of the State’s custodianship of the nation’s mineral and petroleum resources;
- c) promote equitable access to the nation’s mineral and petroleum resources to all the people of South Africa;
- d) substantially and meaningfully expand opportunities for historically disadvantaged persons, including women, to enter the mineral and petroleum industries and to benefit from the exploitation of the nation’s minerals and petroleum resources;
- e) promote economic growth and minerals and petroleum resource development in the Republic;
- f) promote employment and advance the social and economic welfare of all South Africans;
- g) give effect to Section 24 of the Constitution by ensuring that the nation’s mineral and petroleum resources are developed in an orderly and ecologically sustainable manner while promoting justifiable social and economic development; and
- h) ensure that holders of the mining and production rights contribute towards the socio-economic development of the areas in which they operate.

Barberton Mines, as a mining right holder, is obliged to adhere to the objectives of the MPRDA, and failure to comply results in suspension of mining rights/licences. As a result, Barberton Mines has internal procedures (policies) to ensure positive wellbeing of the company and its stakeholders. Umjindi/Barberton community is one important stakeholder of Barberton Mines, and as a result, the Corporate Social Responsibility (CSR) Unit of Barberton Mines plays a mediator role between the company and the community.

Muntingh (2011:121) states that mining significantly impacts, both positively and negatively, the lives of the communities within which mining companies operate. Mining plays a positive role by employing people and creating infrastructures such as roads, clinics and schools. Many of these impacts can lead to discontent amongst the members of local communities, which sometimes results in conflict within communities and also between communities and mining companies. Conflict, in turn, leads to the disruption of mining operations, damage to mining equipment and infrastructure which, subsequently, has an adverse impact on the profitability of the operation and the continuation of such operations.

Barberton Mines is a major employer of non-skilled labourers in the area. According to the company's SLP (2015:7), Barberton Mines has a total workforce of 1860, of which 1503 resides in Barberton, and only 302 (of 1503) are semi-skilled and qualified labourers.

Furthermore, the company's SLP (2015:32-42) committed the company to construct two new small (8 hours) clinics in two villages, eight classrooms in one local high school, construct a 2 km road, a disabled centre for children with cerebral palsy, and a multipurpose centre for the local youth. All these projects are to benefit the community of Barberton.

Barberton Mines' Recruitment Procedures and Employment Equity Plans (2008:14) set out clear recruitment procedures, both internally and externally – stating that for every new low-skilled vacancy, an advertisement will be placed in the Barberton Times (local newspaper) and the company's noticeboards. The Employment Equity committee (consisting of representatives from labour unions; NUM and UASA, HR practitioner, HR manager and the Functional Head of the applicable department) is responsible for selecting, interviewing and appointing the preferred/best candidate.

The perception from the unemployed community of Barberton is that Barberton Mines' HR practitioners are corrupt and sell low-skilled job opportunities to those who can afford to buy them. The community is also convinced that Barberton Mines' procurement only benefits the White-owned companies, resulting in 'Black' poverty and unemployment in the area.

Muntingh (2011:23) describes the term 'perception' as an interpretation or impression based on one's understanding of something. It is the ability of the mind to refer sensory information to an external object as its cause.

The researcher has also observed mining communities' perception and understanding of mining legislation and regulation, which is common in mining communities. This leads to similar behaviour and interpretations of the legislation, which automatically triggers massive community protests against mining houses across the country.

The Mining Charter Impact Assessment (SA DMR, 2009) report gives a clear picture of the local mining houses prior the approval of the 2010 Mining Charter, revealing shocking evidence that communities were benefitting less from mining houses than reported. This report reveals:

- a) Human Resource Development: investigations of the career pathing and mentoring of empowerment group measures indicate a disconnect between plans submitted to the DMR and the actual implementation. The bulk of the interviewed mentors and protégés of these programmes purport to be oblivious to the plans, therefore their participation is limited. Additionally, career plans are typically focused on the development of senior managers at the exclusion of lower level employees.
- b) Employment Equity: the report gives a summary that only 37% of mining companies have developed Employment Equity plans, while a lesser number of companies have published these plans. In terms of Historic Disadvantaged South Africans' (HDSA) participation in management, 26% of mining companies achieved a threshold of 40% of HDSA participation at management level, while the average achievement in the industry is 33%. With regard to women's participation in mining, the results reveal that only 26% of mining companies have complied with the 10% women's (inclusive of White women) participation in mining. However, the average rate of women's participation is 6%, of which the bulk is represented

in support functions with less than 1% in core management positions, a large proportion of which represents a preserve for White women.

When it comes to talent pool identification and fast-tracking, it is reported that an average of 83% of mining companies have not identified talent pool, while only 17% are in the process of fast-tracking those identified for management positions.

- c) Migrant Labour: since the mining industry was developed on the blood and sweat of both South African and migrant labourers, the signatories to the Charter deemed it necessary to make special provision to ensure non-discrimination of migrant labourers. However, evidence of agreements to promote non-discrimination entered into between companies and government was not readily available.
- d) Mine Community Development: the report reveals that 63% of companies participated in the formulation of IDP in mining communities, however, only 14% of companies extended their participation in the development of IDPs for labour-sending areas. A mere 37% of companies showed proof of expenditure in accordance with commitments set out in approved SLPs. The rest of the companies implement corporate social responsibility projects and report them as part of their contribution to IDP.
- e) Procurement: the assessment illustrates that 89% of companies have not given HDSA companies preferred supplier status, while 80% have not indicated a commitment to the progression of procurement from HDSA companies over a 3-5-year timeframe. The current report level of procurement from HDSA companies averages a mere 37% of companies, although companies could not always ascertain the ownership and management control status of their HDSA suppliers. Procurement of capital goods, consumables and services managed and dispensed by the mining companies continues to be skewed in favour of their preferred untransformed suppliers to the detriment of HDSA companies. HDSA companies largely benefit from procurement contracts for the provision of consumables and non-core services such as cleaning facilities, toilet paper and other trivial activities.
- f) Ownership and Joint Ventures: the assessment reveals that the current net asset value of the South African mining industry averages R2 trillion, indicating that the 15% HDSA ownership threshold requires no less than R300 billion (in 2009 terms). The industry-stated commitment of R100 billion to facilitate HDSA ownership represents 5% of the current net asset value of the mining industry, which falls far short of the agreed 15% empowerment target envisaged within 5 years. However, the assessment further recognises the limitations of the absolute value of commitment as well as the compounded annual growth of the industry's net value, which ought to have been factored in at the time of the commitment.

When the 2009 Mining Charter report was issued, the community of Barberton was not really aware of the importance of close relationships with the local mines, especially in the issues of labour recruitment, social responsibilities, business opportunities, human resource development, etc. In those years, the situation was calm and the local mines (including Barberton Mines) never answered to any local stakeholder, apart from the regulator.

It is possible that the government was aware of the local companies' attitude towards local communities, hence the amendment to the Broad-Based Socio-Economic Empowerment Charter (SA DMR, 2002) which was published in 2010, and enforced to all local mining companies. This led to the establishment of the CSR Unit (under the HR department) in Barberton Mines. The CSR Unit further ensures and monitors the DMR's compliance in Barberton Mines.

The Amendment of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (SA DMR, 2010:1-6) states that failure to comply with the 2014 national targets (Charter and MPRDA) shall render the mining company in breach of the MPRDA and subject to the provisions of Sections 47, 98 and 99 of MPRDA. The 2014 targets are:

- a) *Ownership*: achieve a minimum target of 26% ownership to enable meaningful economic participation of HDSA by 2014.
- b) *Procurement and Enterprise Development*: Procure a minimum of 40% of capital goods from BEE entities by 2014. Ensure that multinational suppliers of capital goods annually contribute a minimum of 0.5% of annual income generated from local companies towards socio-economic development of local communities into a social development fund from 2010. Procure 70% of services and 50% of consumer goods from BEE entities by 2014.
- c) *Human resource development*: invest a percentage of annual payroll in essential skills development. The targets set were: 2010 = 3%, 2011 = 3.5%, 2012 = 4%, 2013 = 4.5% and 2014 = 5%.
- d) *Mine community development*: this element is envisaged in keeping with the principles of social license to operate wherein mining companies must invest in ethnographic community consultative and collaborative processes before the implementation/development of mining projects. They should also conduct an assessment to determine the developmental needs in collaboration with mining communities and identify projects within the needs analysis for

their contribution to community development in line with IDPs; the cost of which should be proportionate with the size of the investment.

The Scorecard for the Broad-based Socio-Economic Empowerment Charter - Barberton Mines (2014) shows that Barberton Mines improved exceptionally in social transformation and got a total score of 91.72% as compared to the 47.1% total score obtained in 2009.

In line with the 2014 national target requirements, Barberton Mines achieved its scores in these leading targets:

- a. Ownership = 29%;
- b. Housing and Living Conditions = 100%;
- c. Procurement and Enterprise Development: Capital goods = 34.52%, Services = 59.77% & Consumable goods = 49.50%;
- d. Employment Equity: Top management = 0%, Senior management = 33.33%, Middle management = 51.43%, Junior management = 37.69% & Core skills = 71.19%;
- e. Human resource development = 5.01%;
- f. Mine community development = 99.17%; and
- g. Sustainable development and growth = 100%.

The Amendment of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (SA DMR, 2010), whose lifespan was projected up to December 2014, was also followed by a detailed assessment report – Assessment of the Broad-Based Socio-Economic Empowerment Charter for South African Mining Industry (SA DMR, 2015) – which revealed that:

- a) Ownership: the report indicated that although 79% of large mining rights holders have reportedly met or exceeded the 26% HDSA ownership target with a simple average HDSA ownership of 26.2% amongst these large rights holders, 64% have transferred the economic benefit of between 0% to 26%. However, 29% of the HDSA partners have accrued no (0%) economic benefits at all.

Similarly, 83% of medium rights holders have reportedly met or exceeded the 26% HDSA ownership target with a simple average HDSA ownership of 34.1% amongst these medium-

sized holders, 75% have transferred the economic benefit of between 0% to 26% to HDSA, and 55% of the HDSA partners have accrued no (0%) economic benefits at all.

As for small rights holders, the trend worsens even further with 75% of such rights holders having reportedly met or exceeded the 26% HDSA ownership target with a simple average of 28.4% amongst these small rights holders, while a disproportionate 92% have transferred the economic benefit of between 0% to 26% to HDSA and 71% of the HDSA partners have accrued no (0%) economic benefits at all.

- b) Procurement and Enterprise Development: the report revealed that 81.6% of mining rights holders met the 2014 target of spending 40% of their total expenditure on capital goods sourced from BEE entities. Furthermore, 14.6% procured less than 10% of their capital goods from BEE entities.

With respect to the procurement of services from BEE entities, 32% of the rights holders in the non-weighted database met the target of 70%.

In relation to procuring consumables from BEE entities, the non-weighted data shows that 57.18% of rights holders met the 2014 target of 50%.

The assessment report further revealed that only 3.4% mining right holders reportedly met the required target of multinational suppliers' contribution to the Social Fund.

- c) Employment Equity: the mining industry exceeded the 40% target set to be achieved by 2014 in different functional categories. HDSA representation was highest in the core skills category at 75.2%, followed by junior management at 62.8%.

The overall representation of women in the mining industry increased to 10.5% by 2014.

- d) Human Resource Development (HRD): the amended 2010 Mining Charter required mining rights holders to spend 5% of total payroll (excluding skills development levies) on HRD by 2014. The assessment report data from the submissions show that 33.3% of the rights holders did not meet the target.

- e) Mine Community Development: the assessment report revealed the level of progress made with regard to meeting targets of the implementation of approved projects. The data shows that nationally, only 36% of mining rights holders met their set target on mine community development, with only 39% mining rights holders in Mpumalanga Province actually meeting the 2014 target.

As indicated earlier, by the year 2014, there was radical improvement in Barberton Mines, especially with the establishment of the CSR Unit, which played a significant transformative role. In the component of HRD, for instance, Barberton Mines introduced the External Bursary

Programme, a programme that seeks to address the issue of skills shortages in mining engineering and related fields. This programme was introduced in the 2012 academic year, enrolling ten external/non-employees into various local universities.

This report – Assessment of the Broad-Based Socio-Economic Empowerment Charter for South African Mining Industry (SA DMR, 2015) – led to the review of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (2017). However, this newly proposed Mining Charter was put on hold/suspended after the Chamber of Mines objected to it and submitted an urgent application to the High Court (Times Live, 2017).

Suspension of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (SA DMR, 2017) came after heavy criticism from relevant stakeholders in the mining sector, including the Benchmarks Foundation (Cloete, 2017), which also voiced its dissatisfaction that “the Mining Charter has been dressed up as a Masterstroke of empowerment and transformation”.

According to the Benchmarks Foundation (Cloete, 2017), the reality is that the 2017 draft Mining Charter is a weakened piece of legislation that provides little benefit for mining-impacted communities and will result in more protest action. It is as dangerous to South Africa as an abandoned and unsafe mine shaft. The Benchmarks Foundation (Cloete, 2017) criticises the DMR for being entirely disingenuous when it claims it has consulted with communities over the Charter. It boggles the mind that the DMR believes that speaking to a small number of Chiefs in one mining area is representative of the views of mining-affected communities in South Africa. The DMR is guilty of misleading the public in claiming it has consulted communities.

## **2.11 ORGANISATIONAL CONFLICT: BARBERTON MINES V/S LABOUR UNIONS**

Alfazur-Rahim (2001:7) states that conflict is a major organisational phenomenon and it has been observed that ‘organisation theories’ that do not admit conflict provide poor guidance. Changing conflict within and between organisations is intimately related as either symptoms, causes or effects to each of these problems.



Omisore and Abiodun (2014:124) further classify and identify two types of organisational conflicts; functional or constructive conflict and dysfunctional or destructive conflict. Functional/constructive conflict is a conflict that supports the goals of the group and improves its performance. However, there is an argument that if it leads to normal competition amongst groups and the group works harder and produces more, then it is advantageous to the group rather than disadvantageous (Omisore & Abiodun, 2014). Dysfunctional/destructive conflict is defined as a conflict that hinders group performance and when not effectively handled, this type of conflict can tear relationships apart, interfere with the exchange of ideas, information and resources in groups between departments. Dysfunctional conflict thus obstructs organisational conflict and prevents organisational goals from being achieved.

Mpumalanga News (Hlatwayo, 2016) reported that Barberton Mines' workers affiliating under the NUM are determined to continue striking over profit sharing, employment equity and housing allowance. On the fourth day of the industrial strike, the NUM Chairman vowed that NUM would continue embarking on its protest until the company presents a revised offer to its workers.

This was not the first time workers downed tools due to disagreements. Other factors that contributed to workers downing tools were issues of skills development, where NUM accused the HRD manager of nepotism and favouritism, and demanded that he (HRD manager) be released from his duties. Barberton Mines' SLP Assessment Report (2015:89) reveals that this industrial action lasted for two days, resulting in profit losses estimated at R12 800 000.00. Moreover, it had become a 'system' that such industrial protests start internally, and later escalate externally whereby ordinary community members are mobilised to join the strike against Barberton Mines, in support of their fellow brothers and sisters.

## **2.12 PUBLIC PARTICIPATION CONFLICT: BARBERTON MINES V/S THE COMMUNITY**

Nelischer (2016:2) cites that conflict is present when two or more parties perceive that their interests are incompatible, express hostile attitudes or pursue their interest through actions that damage the other party. In most cases, conflict in public participation results from discrepancies in values, interests and level of power. These factors can be determined or affected by different experiences, backgrounds, opportunities, identities and abilities. Cultural

differences in addressing conflict, variation in conflict, communication styles and how different communities understand and respond to conflict in public meetings are growing challenges.

Nelischer (2016) further identifies four types of conflict management methods in public participation:

### **2.12.1 Circles Method**

Nelischer (2016:4) defines the Circles Method as an approach to problem solving focusing on strengthening communities, fostering mutual understanding and building relationships. The Circles Method also excels in managing conflict because it focuses on generating mutual understanding and creates spaces for healing and transformation.

For effective results in using the Circles Method, Nelischer (2016) advises that it is important for the facilitator to determine whether or not the Circles Method is suitable by investigating if the parties (public or stakeholders) are willing and motivated to find a solution to the conflict. If so, the facilitator must then prepare by identifying key stakeholders which should and need to participate in the conflict resolution processes.

### **2.12.2 Deliberative Participation Method**

Nelischer (2016:6) further speaks of the Deliberate Participation Method as an effective approach in managing conflict in a public space. It creates an environment where all participants are equal and have equal opportunities to participate, share their opinions and values, present reasoned arguments, develop an understanding of the opinions of other participants, and come to rational agreements together. The Deliberative Participation Method focuses on small groups and it is a process that minimises conflict by encouraging teamwork and the identification of shared values.

According to Nelischer (2016), this method produces best results when participants bring different perspectives and experiences, and when participants are prepared and knowledgeable about the subject at hand. It can be accomplished in environments when possible participants

are identified through public selection processes that are open to people in a selected geographic or political community, rather than a stakeholder selection process.

### **2.12.3 Gamification Method**

The Gamification Method, also referred to as the game conflict management approach, is a popular tool or approach to resolve conflict in public participation (Nelischer, 2016:8). Games or elements of games are increasingly used to mitigate conflict and encourage greater participation in public processes.

For public participation game conflict resolving methods, the games must share certain characteristics, and involve some sort of challenge to be solved collaboratively, which can reflect the real-life conflict within the processes. Such games must have clear rules and a defined outcome that is understood by all participants and that will be rewarding.

### **2.12.4 Dramatic Problems Solving Method**

This approach, as explained by Nelischer (2016:9), is similar to games in that it is an interactive facilitation method which relies heavily on cyclical action research, which involves participants as researchers and decision makers revisiting and reframing discussions and challenges. The effective outcome of using this method requires willingness and commitment from all participants.

The conflict between Barberton Mines and the community is emanating from the high unemployment rate in the area, whereas, according to Barberton Mines' SLP (2015:7), out of the 1860 total general labour force, only 109 labourers are recruited from Matsulu, 148 recruited from Shongwe Mission (Nkomazi Local Municipality), 9 recruited from KaBokweni and 15 recruited from Elukwatini (Albert Luthuli Local Municipality).

The second conflict is a procurement-related matter. During the focus group discussion with the Umjindi Business Forum, the processes of Barberton Mines' procurement were highly criticised for being biased towards local small BEE businesses, and the business forum's perception was that Barberton Mines preferred White-owned businesses. As a result, it would mandate impossible requirements for Black/BEE businesses to meet.

The third conflict is the ownership element. The Umjindi Business Forum accused Barberton Mines of selling its 26% BEE ownership to Shanduka Gold. Umjindi Business Forum, LoMshiyo Traditional Council and Emjindini Traditional Council seemed to believe that the 26% BEE ownership must be shared amongst the local BEE businesses and the two traditional councils.

This has been an ongoing battle, especially the dispute on payment of royalties (by Barberton Mines) to the government instead of paying the local traditional council/authorities. Barberton Mines had been highly criticised for cooperating with the regulator's obligation in accordance with Section 86 (e) of the MPRD Act of 2002, but it is clearly stated that the Rights and Obligations of the Holder of Production Rights my "pay the State Royalties".

### **2.13 CONFLICT MANAGEMENT THEORY TO THE CONFLICTUAL SITUATION AT BARBERTON MINES**

Barberton Mines failed to deal with the symptoms of conflict earlier, and as a result, managing it came at a high cost.

According to Barberton Mines' Security Quarter 4 Report (2018:7), the first executed option was the legal route/judicial redress, by identifying key community leaders of the strike, including the Branch Executive Committee of NUM (employees) and issuing court trespass interdicts. Instead of calming the conflict, the situation went from bad to worse, leading to massive violence in the area, with one company security vehicle burnt and worker transport (public busses) attacked.

As prescribed by Davis and Franks (2014:5), local third-party dispute resolution may prove useful, however, companies may seek for or turn to an alternative dispute resolution in case the judicial redress option proved not to be viable.



**Figure 2.1: Publication on Barbarton Community Protests. Barbarton Times, published 25 April 2018**

In realising that the judicial redress failed and triggered even more anger, Barbarton Mines' Security Quarter 4 Report (2018:9) states that an independent third-party consultant was brought into the picture. This consultant tried to neutralise the mob through individual engagements and introduced the deliberate participation method.

Nelischer (2016:6) speaks highly of this effective approach in managing conflict in a public space, as it creates an environment where all participants are equal and have equal opportunities to participate, share their opinions and values, present reasoned arguments, develop an understanding of the opinions of other participants, and come to rational agreements together.

## 2.14 CONCLUSION

This chapter focused on the conflict and conflict management theory, with an in-depth assessment of the vast literature on conflict and conflict management by other scholars.

Mining legislation (Mining Charter and MPRDA) were scrutinised in depth, vis-à-vis the Mining Charter Impact Assessments reports as tabled by the DMR in 2009 and 2015.

The importance of organisational conflict management was discussed in two folds, internally and externally, with clear guidelines and processes of managing conflicts between workers and managers, as well as managers and communities.

In conclusion, this chapter further revealed the impact of conflict in an organisation, and that conflict in public participation can be managed through engagements, communication, transformation, transparency, ethics and morality.

## **CHAPTER 3**

### **THE BARBERTON MINES**

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#### **3.1 INTRODUCTION**

This chapter focuses primarily on Barberton Mines, giving a thorough background of the company since coming to being and its official registration in 1938. The chapter further looks at previous and current ownership of Barberton Mines and its interests towards the social wellbeing of its employees and communities.

In the history of the mining sector in South Africa, migrant labour continues to haunt the sector, and Barberton Mines endures the negative impact of migrant labour as a result of mounting pressures from the local community. As advocated by the Umjindi Business Forum, the standing demand is that all unskilled migrant labourers employed by Barberton Mines be relieved of their duty so the local unemployed youth can be employed.

More information has been detailed in socio-economic development programmes since 2010, shortly after Pan African Resources took over as a major shareholder (74% ownership). The impact of these SED programmes in communities has also been documented. However, with all the social upliftment programmes on the table, implemented in various wards in Barberton, the community is still not satisfied and demonstrate its anger through illegal community protests against Barberton Mines. Such protests always result in road blockages of roads leading to Barberton Mines as well as production and shift loss for the company.

#### **3.2 THE HISTORY OF BARBERTON MINES**

South African History Online (2018) states that the mining of gold in South Africa began in Barberton, where Tom MacLachlan found the first traces of alluvial gold in 1874. Since then, goldfields flourished as fortune seekers flocked to the area in search of gold. Today, the town has four gold mines that are more than 100 years old and still in use. These mines are:

- a) The Agnes Gold Mine, named after Jessie Agnes, the wife of Jack Grieves who discovered gold in the area in 1888. Sometime later, he (Jack) sold the mine to AJ Knuckly for approximately 1000 pounds. This mine was the main producer of gold and silver in the area.
- b) The Fairview Gold Mine was discovered in 1887 and owned by Kidson Reef Gold Mining Company Ltd. Since then, Fairview Mine has become the only South African plant that has a BIOX plant to extract gold. It was previously owned by Gold Fields and later sold to AVGOLD in 1988 at an estimated price of R95 million.
- c) New Consort Gold Mine was established in 1885 and owned by Metorex Ltd, MCI Resources Ltd and Crew Gold Crop.
- d) Sheba Gold Mine, owned and controlled by Barberton Area Gold Deposit. This was the first mining area discovered by Edward Bray.

Anhaeusser (2012:8) states that in May 1885 Edwin Bray's discovery of the Golden Quarry changed matters dramatically and the Barberton goldfields became known worldwide, attracting fortune hunters from North America, Europe, Australia, and many more. Gold was discovered in a variety of settings and over 350 gold workings or prospects were eventually recorded. Many prospectors became disillusioned and abandoned their operations or left the goldfields upon hearing of the discovery of the Witwatersrand goldfields (which appeared to offer more sustainable prospects) in 1886. Those who persevered in the Barberton area were rewarded to some extent by forming syndicates and amalgamating their claims into larger corporations.

Mining Weekly (Furness, 2003) describes Barberton Mines as a greenstone lode gold mining operation, consisting of three mining operating sections, namely Sheba, New Consort and Fairview. The mining is conducted with an underground operation and the three separate milling circuits have a total capacity of about 35000t/m. Most mining platforms are operated using a cut-and-waste-fill mechanised cleaning method.

According to the Mining Weekly (Furness, 2003:1), Barberton Mines is a gold mining company situated in the district of Barberton, in Mpumalanga, 370km east of Johannesburg. The mines that today make up Barberton Mines started operations more than 100 years ago. Originally, the New Consort area consisted of several working mines, and over the years these were consolidated into what was to become known as New Consort Gold Mine.



Mining Weekly (Furness, 2003:3) further cites that in 1933, the company name changed to Eastern Transvaal Consolidated Mines (ETC), and later in 1948, ETC became a member of the Anglovaal Group. The life of the Sheba Gold Mine began with the discovery of Bray's Golden Quarry, the first 13000t of ore yielding 50000oz of gold. She and the adjacent workings changed hands quite frequently before being acquired by ETC in 1937.

Mining at Fairview Gold Mine started in 1886 as several small operations. This continued intermittently until 1955 when they were consolidated under Federale Mynbou. ETC acquired Fairview Mine in 1998.

Anhaeusser (2012:8) mentions that gold discoveries in the Sheba creek were particularly exciting and led to three small settlements in the area (Eureka City, Charlestown and Fig Tree Creek). These three mines were amalgamated in 1937 when a number of properties were incorporated into the mining company ETC Mines Ltd and included the Agnes, New Consort and Sheba Gold Mines.

Of the approximately 350 small mining operations recorded in the Barberton goldfields, only 44 mines each produced more than 311 kg (10000oz), with over 70% of the gold coming from four main producers (Sheba, Fairview, Consort and Agnes) (Anhaeusser, 2012:12). The gold deposits of the Barberton area are almost without exception linked to structural influences that have affected the rocks of the greenstone belt on more than one occasion.

### **3.3 MIGRANT LABOUR IN THE SA MINING SECTOR AND BARBERTON MINES**

Harington, McGlashan and Chelkowska (2004:1) state that the discovery of commercial quantities of gold in the former Transvaal of South Africa in 1886 came twenty years after the exploitation of diamonds in the Northern Cape. Labour practices followed the existing migratory pattern for domestic and foreign labour in the industry; a pattern which exists to this day. Gold miners, like diamond miners, were accommodated in compounds, often segregated by ethnic group, and contracted for 18-month stints with no certainty of re-engagement. For the majority of the twentieth century, the source areas of these miners have fallen into three political categories:

- a. men from within the borders of South Africa itself, including former black ‘homelands’;
- b. men recruited from the former High Commission, now independent territories, Botswana, Lesotho and Swaziland who were often treated as honorary South Africans; and
- c. men from foreign countries, primarily Mozambique and from as far as Angola, Zambia and Tanzania.

The fact that these miners came from all over Southern Africa meant that the migratory system of labour would retard opportunity for men to progress up the ladder of skills. For a very long time, the barrier of colour also became a barrier to advancement.

South African History Online (2018) further states that migrant labour ensured a supply of cheap wage labour to the mining sector and secondary industry. What is unique about South African migrant labour is the disallowance of internal migrants settling at their workplace. When Africans went to work in the diamond mines, they were not ‘free’ wage labourers, in the sense of labourers ‘free’ from the land and labourers ‘free’ to sell their capacity to work. In any case, their social responsibilities denied them the freedom to dispose of their labour as individuals. The mines found prison labour cheap and tractable, and soon, in the name of antitheft security, hit on the idea of housing their workers in entirely self-sufficient closed compounds. Workers shopped at the company store and received medical treatment at the company clinic. Escorted by guards armed with clubs, the workers marched from the compound straight to work along closed-off walkways to prevent any communication with outsiders.

The Barberton Mines’ SLP (2015:7) confirms that at the beginning of 2015, the company was left with only 53 migrant general labourers, as compared to the 906 migrant labourers the company had in 1978. Retirement due to old age, the acquisition of South African citizenship and deaths related to TB, HIV/AIDS and silicosis were the primary cause of the decline of migrant labour in Barberton. The remaining 53 migrant labourers consist of five Swazi nationals, 45 Mozambique nationals and three Zimbabwe nationals, and all 53 migrant labourers were appointed prior 1994.

### 3.4 BARBERTON MINES CURRENT OWNERSHIP AND MANAGEMENT CONTROL

Pan African Resources PLC (2017) report that they are the main controlling shareholder of Barberton Mines, with 74% voting rights. Their strategic BEE partner is Shanduka Gold (Subsequently renamed PAR Gold), which holds 21% of Pan African Resources' shares. To further equate the required 26% BEE ownership in line with the MPRDA 2002, Pan African Resources introduced and implemented the 5% employee share ownership programme (ESOPS), which aims to align the aspirations of employees, management and shareholders. ESOPS is in place at Barberton Mines and pays dividends to employees; employees effectively own 5% of the issued share capital of the gold mining operation.

The Barberton Mines' Mining Charter Employment Equity Scorecard Report (2017:2) indicates that by the end of the 2017 calendar period, the company had 11 Senior Managers, 26 Middle Managers and 362 Junior Managers.

**Table 3.1: Barberton Mines' Mining Charter Employment Equity Scorecard Report (2017)**

Category	African		Coloured		Indian		White		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Senior Management	3	0	1	1	0	0	0	6	11
Middle Management	11	2	0	0	0	0	11	2	26
Junior Management	174	30	1	2	0	1	13	141	362

### 3.5 THE IMPACT OF MIGRANT LABOUR IN BARBERTON MINES

Rabe (2006:22) states that South African Black workers increasingly preferred to work in manufacturing industries because of better wages and employment conditions. Although the Chamber of Mines did not want to pay better wages to Black mineworkers, despite pressure

from the mineworkers and neighbouring countries, the Chamber could not continue to ignore the plight of Black mineworkers and their families.

In Barberton, the tendency also existed in the local community and lasted until the early 2000s, when their (community) preferred industries could no longer absorb the locals due to population growth and increased unemployment rates. The Mpumalanga Socio-Economic Profile Report (SERO), for instance, reveals that in 2001, only 4.5% of the Umjindi population was employed in the mining sector, 16.2% employed in the agricultural sector, 24.2% employed in trade, with 20.2% employed in community services. The report further reveals that in 2013, local employment in the mining sector declined to 2.5% as compared to 4.5% in 2001.

During a scheduled focus group discussion with the Umjindi Community Forum, it was reiterated that the older Barberton generation was never interested in the mining sector in the past. This was due to low/poor wages, poor living standards and uncertainty (casual/fixed term) in labour practices. However, the current youth have socio-economic interests in the sector and therefore are eligible to benefit.

The challenge (migrant labour) facing Barberton Mines is emanating from the past attitudes and laws, which resulted in the industry neglecting the local community, and with the current labour laws, Barberton Mines cannot just expel migrant labour from its HR capital systems as a result of pressures from the local youth.

The Umjindi Community Forum had its own interpretation of migrant labour; according to them, it simply refers to ‘any unskilled labourer born and raised outside Barberton but employed as a general labourer by Barberton Mines’.

The Barberton Mines’ SLP (2015:7) states that the Mine employed 109 general workers from Matsulu (63km east of Barberton), 148 general workers from Shongwe Mission (110km far east of Barberton), 9 general workers from KaBokweni/Ngodini (73km North of Barberton) and 15 general workers from Nhlazatje/Badplaas (60km West of Barberton). The Barberton Mines’ SLP (2015:8) further reveals that the majority of this workforce from outside Barberton was appointed before 2001, when the locals were not in favour of the Barberton mining sector. The argument between Barberton Mines’ management committee and the branch of the NUM

was that apart from labour laws that protect the rights of workers, it was these same so-called ‘migrant labourers’ that kept Barberton Mines alive for all those long and neglected years when the Barberton community had no interest in the sector. Secondly, the number of migrant labourers had declined over the years and the Barberton Mines’ SLP (2015:7) accordingly reveals that the total number of local (Barberton) people (skilled and non-skilled) employed by the Mine is sitting at 1503.

### **3.6 BARBERTON MINES’ CONTRIBUTIONS IN COMMUNITIES SINCE 2010**

The Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (2010) mandated the mining sector to comply with critical elements listed in the Mining Charter. This resulted in the establishment of CSR and SLP under the stewardship of HR management within Barberton Mines.

During the focus group discussion with the BMTT, it was raised that the mandate of Barberton Mines’ CSR & SLP Unit included, amongst others, community liaison and consultations, stakeholder liaison and management, compliance in relation to all critical elements of the 2010 Mining Charter, successful implementation of SED community projects as listed in the approved SLP, community budget management, etc.

It was further reiterated that the CSR & SLP Unit worked closely with the BMTT, a trust that was also established in 2011 by Barberton Mines, solely to comply with Section 2.2 (ii) of the Mining Charter (2010:2). Section 2.2 (ii) stipulates that mining companies must “ensure that multinational suppliers of capital goods annually contribute a minimum of 0.5% of annual income generated from local mining companies towards socio-economic development of local communities into a social development fund from 2010”. By right, BMTT is a fundraising and social vehicle and Barberton Mines remains the main financial contributor in the trust business account.

#### **3.6.1 SED projects in the SLP: 2011 to 2015 period**

##### **3.6.1.1 Sinqobile Primary School Project/Fairview Primary School**

According to Barberton Mines’ SLP (2011:39), this R14 million project dates back to 2006 when the Sinqobile community and the Fairview Primary SGB approached Barberton Mines

for possible construction of a formal school for the primary school learners at Fairview Primary School within Fairview Mine premises. Initially, in 1938, Fairview Primary School was designed to accommodate only 100 mine employees' children in the constructed four classrooms. With the growing Sinqobile Township, the number of learners at Fairview Primary increased from 100 to 613 by the beginning of 2011, causing major overcrowding in the four classrooms.

The increase in learners triggered the demand for an expansion of the school, which was impossible on the premises of the Fairview Mine. After thorough engagement with key local stakeholders, Barberton Mines constructed a primary school in Sinqobile Township, to relocate the learners to the new school. Construction of the new school took place after the local municipality (Umjindi Local Municipality prior to amalgamation) donated land to the community.

Construction of Sinqobile Primary School Project commenced in July 2011 and was officially completed and handed over to the Mpumalanga Provincial Department of Education and the SGB in June 2014. The school infrastructure comprises 24 classrooms (fully furnished), a Grade R block with its own kitchen and ablution facilities, a multimedia block (school library, computer centre and science laboratory), an admin block, combi/netball court and sports field, two ablution blocks (disability facility), palisade fencing and a kitchen facility with an open shelter.



**Figure 3.1: Old Fairview Primary School at Fairview Mine (Barberton Mines' SLP Report, 2015)**



**Figure 3.2: New Fairview Primary School at Sinqobile Township (Barberton Mines' SLP Report, 2015)**

### **3.6.1.2 Umjindi Jewellery Project**

As detailed and presented in the Barberton Mines' SLP Report (2015:48), this project was established in 2002 in Barberton, by Vukani Ubuntu and the former Umjindi Local Municipality, with aims of providing much-needed jewellery making skills to the previously disadvantaged youth in Umjindi. The project also manufactures jewellery using sterling silver and occasionally gold (for special orders) donated by Barberton Mines.

Barberton Mines stepped up in July 2009, when the project was in dire need of financial backing for Mining Qualification Authority (MQA) accreditation, Goldsmith expertise, quality jewellery production and bankable marketing and sustainability strategies. Since its involvement (July 2009 to end of June 2018 – exit phase), Barberton Mines has spent R9 774 000.00 on the project.



**Figure 3.3: Umjindi Jewellery Project Training and Production (Barberton Mines SLP Report, 2015)**



### 3.6.1.3 Sinqobile Life Skills Centre Project

Barberton Mines' SLP Report (2015:51) states that the centre was established by Barberton Mines in Sinqobile Township and officially launched in October 2010. The centre provides accredited technical skills in arc welding, sewing, brick making and bread baking.

The former Umjindi Local Municipality leased vacant land to Barberton Mines, for a period of 10 years (which expires in December 2018), with a condition that Barberton Mines develop, construct and provide technical skills during the specified 10-year period. On the expiration of the lease agreement (end of December 2018), Barberton Mines agreed to hand the centre back to the municipality.

Barberton Mines' SLP Report (2015:51) also reveals that the centre trains 40 learners per annum (10 per quarter). There are quarterly training rotations, e.g. quarter 1 caters to arc welding trainees, quarter 2 caters to sewing trainees, quarter 3 caters to brick making trainees and quarter 4 caters to bread baking learners. Barberton Mines cover all training costs.

Through training interventions, the centre produced two small businesses (Mjindini Sewing Cooperative and Umjindi Welding Primary Cooperative). Moreover, the centre serves as an incubation hub for these two small businesses. The Mjindini Sewing Cooperative, for instance, produces workwear suits and supplies Barberton Mines as per a signed agreement. Umjindi Welding Primary Cooperative has no signed agreement with Barberton Mines, but supplies welding work as and when required by the Mine. Moreover, through Barberton Mines' intervention, Umjindi Welding supplies the local Mica Hardware store and adjacent households with steel window frames.



**Figure 3.4: Mjindini Sewing Cooperative LTD (Barberton Mines' SLP Report, 2015)**



#### 3.6.1.4 Sinqobile Vegetable Project

Barberton Mines' SLP Report (2015:54) reflects that the Sinqobile Vegetable Project was initiated in 2008, by a group of local women in Sinqobile Township who approached Barberton Mines for funding and business development. These women aimed to start a fresh vegetable produce project in the area. Barberton Mines intervened in terms of business development (start-up capital, technical and business training), the donation of 2ha land, and the supply of water and electricity for irrigation.

According to Barberton Mines' SLP Report (2015:54), the vegetable project is self-sustainable, it feeds the Sinqobile Township community and creates employment opportunities for seven women. The project also supplies fresh produce (vegetables) to the local market shops and hawkers.



**Figure 3.5: Sinqobile Vegetable Project (Barberton Mines' SLP Report, 2015)**

#### 3.6.1.5 Emjindini Tribal Offices Project

Barberton Mines' SLP Report (2015:59) gives a brief overview that Emjindini Traditional Council (Authority) is the local traditional leadership in Emjindini/Barberton, under the stewardship of Chief KMV Nkosi. In the past, before Barberton Mines built the traditional council offices, the Emjindini Traditional Council operated from a 4m<sup>2</sup> wooden shack. Barberton Mines came to the rescue after being approached by the traditional council for assistance. The newly built offices have five offices, one boardroom, one courtroom and one fully furnished kitchen with a storeroom.

Barberton Mines' SLP Report (2015:59) specifies that the project was implemented and completed in two phases (2 financial years) and was handed over to the Council on the 24<sup>th</sup> of April 2015. The project's total cost was R2 945 000.00. The official handover of the project was blessed by the local community, local political leaders and the Mpumalanga Provincial House of Traditional Leaders.



**Figure 3.6: Old Office – Emjindini Traditional Council (Barberton Mines' SLP Report, 2015)**



**Figure 3.7: New Offices – Emjindini Traditional Council (Barberton Mines' SLP Report, 2015)**

#### **3.6.1.6 Upgrade Expansion of Makhanya Street Project**

According to Barberton Mines' SLP Report (2015:61), this project gave significant relief to the residents of KaMhola and Spearville Locations in Emjindini Township/Barberton. Makhanya Street is a busy main road in Emjindini, which, over the years, deteriorated as a result of no maintenance from the local authority. Moreover, the size (4.5m x 2km) of this busy

main road, with no road safety provisions (speed humps) was a danger to both motorists and pedestrians; especially children, as there are two primary schools and one high school located next to this road.

Once more, through local stakeholder engagement processes, Barberton Mines adopted this project by expanding the width of the road to 7m, resurfacing the road, putting necessary road safety measures in place, and installing a storm water drainage system.



**Figure 3.8: Old Makhanya Street (Barberton Mines' SLP Report, 2015)**



**Figure 3.9: New Makhanya Street (Barberton Mines' SLP Report, 2015)**

### **3.6.1.7 External Bursary Programme**

The Barberton Mines' SED Progress Report (2018:20) states that this programme was initiated in 2012; since then it has assisted and enrolled 96 students. This programme came to be as a result of pressures from communities, especially Grade 12 learners and financially handicapped local students in various tertiary institutions.

The Barberton Mines' SED Progress Report (2018:20) also claims that the programme enrolled 28 students registered in various universities in South Africa. The programme strictly accommodates mining engineering and related fields (mechanical, electrical, geology, and mineral survey).

This comprehensive bursary programme covers full tuition fees, full accommodation fees (inside and outside accredited university residences), prescribed textbook fees, monthly stipends for 11 months a year, vacation work, and one laptop for each first-time Barberton Mines bursary holder.

The Barberton Mines' SED Progress Report (2018:20) lastly states that by the end of the 2017 academic period, the programme had produced 13 graduates, of which three (two Mining Engineering and one Mineral Survey) were employed fulltime at Barberton Mines. Since then, two of these graduates resigned for greener pastures. Five other graduates joined Barberton Mines in March 2018 as interns (two Geology, two Mining Engineering and one Mineral Survey) through the MQA-funded graduate programme.

### **3.6.1.8 Upgrade of Emjindini Secondary School Project (phase 1-3)**

Barberton Mines' SLP Report (2015:64) reports that the Emjindini Secondary School project landed in Barberton Mines' 2010 SLP as a result of its deteriorating status, posing a danger to both learners and educators. The Emjindini School Alumni, SGB, Umjindi Municipal and Tribal Councils proposed that Barberton Mines consider re-building the school.

Before Barberton Mines' intervention, the school had eight unsafe prefab classrooms, six brick classrooms (built by Government in the early 1990s), a brick admin block and one unsafe prefab ablution block.



Barberton Mines allocated five phases (five financial years – effective 2013 to 2017 financial periods) of funding for the school's facelift. The 5-year approved implementation plan was arranged as follows: a) year 1 (2013) Science Laboratory, demolition of unsafe prefab structures and donation of five Wendy houses (mobile wood classrooms); b) year 2 (2014) 8 brick classrooms (fully furnished) and one ablution block; c) year 3 (2015) construction of multimedia block (Computer centre, school hall) and school security fence; d) year 4 (2016) construction of a school kitchen nutrition centre with dining hall; and e) year 5 (Exit – 2017) expansion and upgrade of admin block, as well as the erection of a steel assembly shelter.



**Figure 3.10: Old Classrooms – Prefab Structures – Emjindini Secondary School (Barberton Mines' SLP Report, 2015)**



**Figure 3.11: New Classrooms – Prefab Structures – Emjindini Secondary School (Barberton Mines' SLP Report, 2015)**



**Figure 3.12: Science Lab – Emjindini S. School (Barberton Mines’ SLP Report, 2015)**



**Figure 3.13: Multimedia Block – Emjindini Secondary School (Barberton Mines’ SLP Report, 2015)**

### **3.6.1.9 Upgrade of Kaapvallei Primary School Project**

According to Barberton Mines’ SLP Report (2015:70), this school is located on Sheba Mine premises, servicing learners from Grade R to Grade 7, residing at Sheba Siding village and the

surrounding farms. Previously the school was housed on a farm and later (1988) moved to Sheba Mine after some issues arose between the farm owner and the Department of Education. Barberton Mines agreed to house the school in Sheba Mine's old hostel, availing only eight hostel rooms with one ablution block for this purpose.

Over the years, the Sheba Siding population grew, resulting in an automatic increase in the school's intake, and the eight classrooms could no longer contain the learners. Barberton Mines agreed to allocate five additional hostel rooms and convert them into classrooms, one school library and one ablution block.



**Figure 3.14: Old Hostel – Kaapvallei P. School (Barberton Mines' SLP Report, 2015)**



**Figure 3.15: Converted Classrooms – Kaapvallei School (Barberton Mines' SLP)**

### **3.6.2 SED projects in the SLP: 2015 to 2019 period**

According to Barberton Mines' SED Progress Report (2018:34) this exciting phase of SLP witnessed the successful completion of phase 4 and 5 of the Emjindini Secondary School project – phase 4 comprised the construction of a school kitchen with dining hall and phase 5 comprised the erection of a steel school assembly shelter and an upgrade of the admin block.

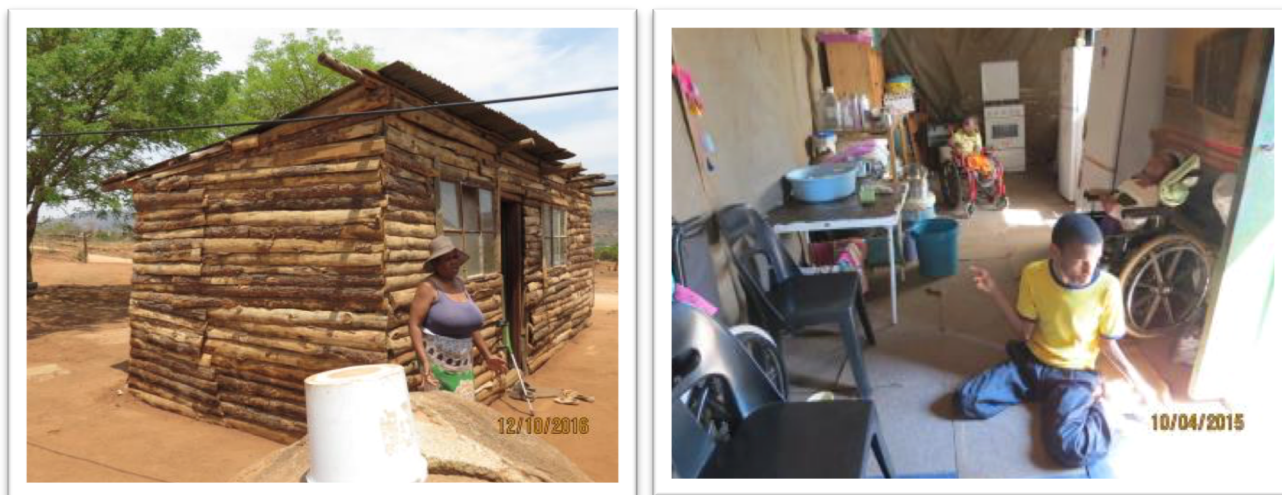
Barberton Mines' SED Progress Report (2018:39) further gives a progress update that the Singobile Life Skills centre continues to provide rotational training in arc welding, sewing, brick making and bread baking. Moreover, the Mjindini Sewing Cooperative is sustainable and stronger than ever, supplying Barberton Mines with various blue overalls and other protective clothing items.

#### **3.6.2.1 Thembelihle Cerebral Palsy Centre Project**

According to Barberton Mines' SED Progress Report (2018:37), the Thembelihle Cerebral Palsy Centre (a non-profit organisation) is situated at Emjindini Trust. Previously the centre was operating from an unsafe 2-room wooden shack, accommodating 51 children with cerebral palsy syndrome. The centre permanently accommodates children with cerebral palsy (together with their caretakers), whose parents are unable to care for them. Some of the neglected children reside permanently, while others visit their families during school holidays.

Through stakeholder engagement, championed by the Mpumalanga Department of Social Development and Department of Health, Barberton Mines adopted the project by providing quality-approved infrastructure for the benefit of the children and care minders. The new building comprises two classrooms, two dormitories (boys and girls), showers and bathrooms, two master bedrooms, a kitchen, laundry and two offices. Barberton Mines' SED Progress Report (2018:7) reveals that the total project cost was R4 400 000.00 and created 48 temporary job opportunities.





**Figure 3.16: Old Thembelihle Cerebral Palsy Centre (Barberton Mines' SED Progress Report, 2018)**



**Figure 3.17: New Thembelihle Cerebral Palsy Centre (Barberton Mines' SED Progress Report, 2018)**

### **3.6.2.2 Sheba Siding Multipurpose Centre Project**

According to Barberton Mines' SED Progress Report (2018:41), this R2 900 000.00 Sheba Siding Multipurpose Centre is situated in Sheba Siding, 3km west of Sheba Gold Mine. This centre benefits the Sheba Siding and surrounding communities through the Sandla Semusa Drop-in Centre and Zamokuhle Home Based Care.

Previously, Zamokuhle Home Based Care and Sandla Semusa Drop-in Centre were operating from unsafe structures (wooden shacks), servicing TB patients, HIV/AIDS victims and child-headed households.

This centre provides nutritional meals to the orphaned children, as well as the TB and HIV unemployed patients. The centre also offers a safe pre-school facility and education to children below the age of 5.



**Figure 3.18: Old Sandla Semusa Drop-in Centre & Zamokuhle Home Based Care Centre (Barberton Mines' SED Progress Report, 2018)**



**Figure 3.19: New Sheba Siding Multipurpose Centre (Barberton Mines' SED Progress Report, 2018)**

### **3.6.2.3 Renee Clinic and Cathyville Clinic Projects**

As presented in the Barberton Mines' SED Progress Report (2018:44), Renee Clinic was operating from Kempstone Farm, at Emjindini Trust, but it relocated to new clinic premises at the end of September 2018.



Barberton Mines' SED Progress Report (2018:44) states that the R14 000 000.00 community project is one typical example of a CPPP project, where the local community stakeholders (local businesses, local clinic committee), public sector (Department of Health and Department of Public Works) and private sector (Barberton Mines) tirelessly work together to ensure the successful completion of a project.

Barberton Mines was the sole financier of the project/construction, and as per the Mpumalanga Provincial Government Department of Health and Barberton Mines' donation agreement (2016), the Department of Health only took over and deployed necessary resources after the official handover of the project in September 2018.



**Figure 3.20: Renee Clinic (Barberton Mines' SED Progress Report, 2018)**



**Figure 3.21: New Renee Clinic (Barberton Mines' SED Progress Report, 2018)**

Barberton Mines' SED Progress Report (2018:46) further reports that the same principles as applied in the Renee Clinic Project shall also be applied in the Cathyville Clinic Project. This

clinic is currently operating in the rented municipal hall at Cathyville location in Barberton. Through participatory stakeholder engagement, the newly amalgamated City of Mbombela Local Municipality donated land in Ext 13 Emjindini Township for the new clinic structure, and resource relocation currently based in Cathyville.

Barberton Mines is also the sole financier of the project and as per stakeholder agreement, construction of this clinic was due to commence in January 2019. At the time of this research, the construction was not yet underway but was scheduled to commence July 2019.

#### **3.6.2.4 Graduate Programme**

Barberton Mines' SED Progress Report (2018:60) reports that through the local civil society organisations and former graduates of Barberton Mines (and non-Barberton Mines' graduates), there was a growing need for Barberton Mines to introduce a graduate programme to address the acquisition of relevant experience (in Geology, Mining Engineering, Mechanical Engineering, Electrical Engineering and Mine Surveying), for the local new graduates.

Through sector industry stakeholder engagement, in March 2018, the MQA approved a discretionary grant for five interns and 14 experiential/work experience learning programmes (P1 & P2). As a starting point, the internship programme was adopted and approved for a period of 5 years, as stipulated in Table 3.2:

**Table 3.2: Internship plan (Barberton Mines SED Progress Report, 2018)**

Internship/ Mentorship Plan	Target and timelines					
	2018	2019	2020	2021	2022	Total Budget
Mine Surveying	1	2	2	2	3	<b>R1 580 00.00</b>
Electrical Engineering	0	0	3	4	2	<b>R1 422 000.00</b>
Mining Engineering	2	6	5	3	3	<b>R3 002 000.00</b>
Geology	2	3	1	0	0	<b>R948 000.00</b>
Mechanical Engineering	0	2	5	4	5	<b>R2 528 000.00</b>
<b>Total number</b>	<b>5</b>	<b>13</b>	<b>16</b>	<b>13</b>	<b>13</b>	<b>R10 902 000.00</b>
<b>Budget</b>	<b>R790 000.00</b>	<b>R2 054 000.00</b>	<b>R2 528 000.00</b>	<b>R2 054 000.00</b>	<b>R2 054 000.00</b>	

Barberton Mines' SED Progress Report (2018:61) also provides necessary feedback on the 2017/18 vacation work report, which was implemented for the first time at Barberton Mines. Table 3.3 shows the numbers and disciplines benefitted.

**Table 3.3: Vac Work Report (Barberton Mines' SED Progress Report, 2018)**

<b>VAC Work: 2018</b>											
<b>DISCIPLINE</b>	<b>PERIOD</b>	<b>African</b>		<b>Coloured</b>		<b>Indian</b>		<b>White</b>		<b>Total</b>	
		<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>
Mining Engineering	01/12/18 – 30/01/19	3	1								
Mechanical Engineering	01/12/18 – 30/01/19	4	1								
Mineral Survey	01/12/18 – 30/01/19	1	0								
Electrical Engineering	01/12/18 – 30/01/19	2	1								
<b>Totals</b>		<b>11</b>	<b>3</b>								
<b>Grand Total: R336 000.00</b>											

Lastly, the Barberton Mines' SED Progress Report (2018:62) presents necessary feedback on the 2018 work experience programme report, also implemented for the first time at Barberton Mines. Table 3.4 shows the numbers and disciplines benefitted.

**Table 3.4: Experiential Training for Non-Employees (Barberton Mines SED Progress Report, 2018)**

<b>Experiential Training for Non-Employees: 2018</b>											
<b>DISCIPLINE</b>	<b>PERIOD</b>	<b>African</b>		<b>Coloured</b>		<b>Indian</b>		<b>White</b>		<b>Total</b>	
		<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>
Mining Engineering	Jan-Dec. 18	3	1								
Electrical Engineering	Jan-Dec. 18	2	3								
Chemical Engineering	Jan-Dec. 18	-	1								
Instrumentation	Jan-Dec. 18	-	1								
Mining Survey	Jan-Dec. 18	1	-								

Experiential Training for Non-Employees: 2018											
DISCIPLINE	PERIOD	African		Coloured		Indian		White		Total	
		M	F	M	F	M	F	M	F	M	F
Geology	Jan-Dec. 18	2	-								
<b>Totals</b>		<b>8</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total: R2 016 000.00</b>											

### 3.7 THE RISE AND FALL OF BARBERTON MINES

Despite having achieved so much and with well-established networks with adjacent communities and local stakeholders, Barberton Mines (the major employer and main economic contributor in the Barberton economy) remains the community's number one enemy.

The Barberton Mines' SED Progress Report (2018:11), as presented on the 10<sup>th</sup> of May 2018 to the community representative community engagement workshop, reports that between 1 April 2018 to 9 May 2018, there were 39 days' illegal community protests (which included road blockages) against Barberton Mines, resulting in 44 production shift losses, amounting to R214 000 000.00 profit losses.

The community views Barberton Mines as its only source of employment (general work) and it is forever demanding employment opportunities. The Sheba Siding community, Noordkaap community, Dixie Farm community, Emlambongwane community and Sinqobile Township, located right in the midst of Barberton Mines' operations, have more control over Barberton Mines and demand more recognition over other communities. These communities can easily frustrate operations and production at Barberton Mines by blocking all roads leading to the Mine's operations.

On the other hand, Barberton Mines agree that first preference must be given to host communities. However, it cannot ignore the fact that Barberton has other communities that require similar treatment, and for that reason, Barberton Mines cannot divide or cause havoc in the community.

### **3.8 CONCLUSION**

This chapter focused on Barberton Mines, by giving a brief overview of the company's past and current ownership, as well as its leadership.

More information on migrant labour was detailed, which also impacts negatively on today's society, where Barberton Mines is actually blamed by the local community for considering foreign labourers and ignoring local non-skilled community members. This section also revealed that Barberton Mines is crucified for the actions of the past government regime and the local community is refusing to accept that foreign national employees cannot be expelled from Barberton Mines, so they get special preference.

Interestingly, while all Barberton Mines' glorious socio-economic development programmes are detailed in this chapter, it still does not stop the adjacent communities from initiating illegal protests, blocking all Barberton Mines' road networks, resulting in production and profit losses.



## **CHAPTER 4**

### **BARBERTON MINES AND THE COMMUNITY**

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#### **4.1 INTRODUCTION**

This chapter looks at the birth/establishment of the Barberton Mines Transformation Trust, commonly referred to as BMTT. BMTT is a fundraising mechanism of Barberton Mines, established in accordance with the Mining Charter (2010) requirements. BMTT was founded to drive the company's social and labour (SLP) socio-economic development projects. Since coming to being, BMTT successfully delivered key community infrastructure development (capital) projects and witnessed massive criticism and rejection from community structures.

The chapter also gives a glimpse of the recent community protest that nearly brought Barberton Mines to its knees, due to a lack of conflict management strategies within Barberton Mines.

The Barberton Times (Nkosi, 2018) reported that during the 39 days of community protests against Barberton Mines, the company also recorded a higher rate of illegal gold mining due to increased illegal miners caught underground. The social impact of illegal mining, especially in the adjacent communities, is shocking. It leads to crimes such as rape, prostitution, Gangsterism, as well as issues including teenage pregnancy, poor hygiene, HIV/AIDS, substance abuse, and many more.

Barberton Mines has always been used as a battle of power by local politicians and other ordinary citizens who are paving the way to the top through local recognition. These power-hungry individuals find strategic ways to mobilise the unemployed for road blockages against Barberton Mines, demanding employment opportunities. Once Barberton Mines oblige and the objective (employment demands) is met, the protest mobilisers (leaders) are hailed as heroes and gain community recognition and respect, or even an employment opportunity at Barberton Mines.

## **4.2 BARBERTON MINES TRANSFORMATION TRUST (BMTT)**

According to the Trust Deed of the BMTT (2010:3), the Trust was established in line with Section 2.2 of the Amendment of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (2010). It seeks to “ensure that multinational suppliers of capital goods annually contribute a minimum of 0.5% of annual income generated from local mining companies towards socio-economic development of local communities into a social development fund from 2010”.

The Trust Deed of the BMTT (2010:9) also stipulates that BMTT is a fundraising mechanism of Barberton Mines, with the aim of contributing to the empowerment and upliftment of the designated communities, in accordance with the spirit and purpose of the BEE Act, the Codes and the Charter. The Trust aims to involve designated communities in the procurement chain of Barberton Mines and provide funding for social and commercial projects in the designated communities which seek to primarily benefit Black persons.

### **4.2.1 Trustees and the Appointment of the Board of Trustees**

The Trust Deed of the BMTT (2010:10) stipulates that Barberton Mines must appoint two employees (HR manager and financial manager) as first Trustees of the BMTT.

The two appointed Trustees, in consultation with the General Manager of Barberton Mines, are entirely responsible for the further appointment of two additional Trustees employed by Barberton Mines, and the appointment of a maximum of three additional Trustees not employed by Barberton Mines. Thus, in total, BMTT must be represented by seven Trustees, of which four are employed by Barberton Mines. Clause 5.2 of the Trust Deed of the BMTT (2010:11) reads as follows:

1. *The Board of Trustees shall be constituted as follows;*
  - 1.1 *Three (3) to four (4) Trustees appointed by Barberton Mines and must be employed by Barberton Mines,*
  - 1.2 *Two (2) to three (3) Trustees appointed by the First Board of Trustees and not employed by Barberton Mines.*

2. *The majority of the Trustees appointed in terms of this clause shall at all times be Black persons.*
3. *The Trustees shall hold office for such period as determined by Barberton Mines (Trust Deed of the BMTT, 2010:11).*

#### **4.2.2 Meetings of Trustees**

The Trust Deed of the BMTT (2010:14) states that in respect of all meetings of the Trustees

1. *Any Trustee is at all times entitled to convene a meeting of the Trustees by giving fourteen (14) days written notice to all Trustees, or such shorter notice as may be agreed by all Trustees in writing.*
2. *The Trustees shall hold an Annual General Meeting and so many ordinary meetings during the course of any year as may be considered necessary to transact the business of the Trust, adjourn and otherwise regulate their meetings as they deem fit.*
3. *The Annual General Meeting of the Trustees shall be held within four (4) months after each financial year end of the Trust, for the purpose of appointment of one (1) of the existing Trustees to be the Chairman for the ensuing year, for the appointment of a Secretary and a Treasurer, to consider the financial statements of the Trust and to elect an auditor, and to transact such other business as may be necessary (Trust Deed of the BMTT, 2010:14).*

#### **4.2.3 The Powers of Trustees**

The Trust Deed of the BMTT (2010:16) further stipulates that the Trustees shall have such powers as may be necessary or allowed by law for the proper administration of the Trust. Without limitation to the generality of the foregoing, the Trustees shall have the following specific powers:

1. *To open such bank account or similar account in the name of the Trust as the Trustees may deem necessary with any recognized bank and to draw, accept or give promissory notes, bills of exchange and other negotiable instruments.*
2. *To invest the capital and all such income from the Trust Fund which is required for the purpose of the Trust, in such manner as they deem fit, from time to time on such terms*

*and conditions as they in their discretion shall determine or consider to be in the best interest of the Trust.*

3. *To lend or borrow money from time to time for the purpose of the Trust, subject to such terms and conditions as they may determine, with or without security, provided that loans, whether free at low interest rates or open market rates, may only be made to Beneficiaries.*
4. *To take up or exercise from time to time for the benefit of the Trust any rights accruing to the Trust from any investment.*
5. *To determine in their discretion whether any monies forming part of the Trust Fund constitute income or capital, and whether any expenditure shall be defrayed from income or capital of the Trust Fund, and to make necessary allocations for such purpose in the accounting records of the Trust.*
6. *To obtain, at the expense of the Trust, legal and other professional advice, to institute and prosecute to finality any legal or arbitration proceedings, to defend any such proceedings and to execute all powers of attorney, deed and other documents necessary for such purpose.*
7. *To appoint and from time to time obtain, where necessary, the services of accountants, attorneys, administrators, other professional advisors, agents or brokers for the performance of any duties imposed on the Trustees in terms of this Trust Deed, and to settle and pay such persons their reasonable remuneration, levies and disbursements as a first expense from the Trust Fund.*
8. *To appoint on such terms and conditions as they deem fit, independent administrators for the Trust and to delegate performance of all or any of their duties and functions in terms of this Trust Deed to the Administrator.*
9. *To determine all questions and matters of doubt which may arise in the course of their management, administration, realization, liquidation, partition or winding up of the Trust Fund?*
10. *To raise funds and solicit and accept donations made in favor of the Trust, and to administer the same, subject to the terms hereof.*
11. *To delegate any of their powers to committees consisting of one or more Trustees.*
12. *To adopt such further procedures and do such further things as the Trustees deem necessary or advisable for the due and proper administration of the Trust, and in order to achieve the object of the Trust (Trust Deed of the BMTT, 2010:16).*

#### **4.2.4 Duties of the Trustees**

Clause 8 of the Trust Deed of the BMTT (2010:17) stipulates that the Trustees shall do all such things as may be necessary to give effect to the object of the Trust and the terms of this Trust Deed. Without derogating from the generality of the foregoing, the Trustees shall have the following duties:

- 1. The Trustee shall establish a register in which they shall record:*
  - 1.1 The name and address of each beneficiary.*
  - 1.2 The date upon which the Designated Community was appointed as a Beneficiary.*
  - 1.3 The date of payment and the amount paid to or on behalf of a Beneficiary.*
  - 1.4 Any conditions attaching to such payment.*
- 2. The Trustees shall accept any other donations by Barberton Mines, provided that such donation is irrevocable and subject to the terms and conditions of this Trust Deed.*
- 3. The Trustees shall not incur any liabilities other than as specifically permitted by this Trust Deed.*
- 4. The Trustees shall not make any distribution of capital or income from the Trust Assets to the Beneficiaries or on behalf of Beneficiaries in a manner other than that specified in this Trust Deed.*
- 5. The Trust shall maintain at the official office of the Trust a register of all Trust Assets held by the Trust, and such register shall be open for inspection by any Beneficiary at the official office of the Trust during business hours (Trust Deed of the BMTT, 2010:17).*

#### **4.2.5 Barberton Community Stakeholders Reject BMTT**

During the community stakeholder consultative workshop, as organised by the appointed independent consultant, held on the 10<sup>th</sup> of May 2018, the Barberton community stakeholders rejected BMTT, citing the following objections:

##### **4.2.5.1 Appointment of BMTT Trustees in 2010**

According to the Community Stakeholder Workshop Report (2018:43) objection – as led by SANCO local Chairman, with momentum support from other representative stakeholders –

during the 2010 appointment of Trustees, Barberton Mines' management appointed 'puppet' Trustees on behalf of the community without any community consultation. It is in that regard that BMTT must be disbanded within 60 days, and it must give permission to the Master of the High Court to amend the Trust Deed. Once the Trust Deed is amended, Barberton Mines should allow community representative structures to nominate and democratically elect community representatives to sit in the BMTT. The higher number of Trustees in the BMTT must be community representative members/Trustees and not Barberton Mines' affiliates. Democratically elected community representatives must have the Chairmanship and Secretariat seats in the BMTT.

#### **4.2.5.2 Royalties to the local Traditional Councils**

Representatives from Emjindini Tribal Authority/Traditional Council also supported the notion of the disbandment of the BMTT. The Community Stakeholder Workshop Report (2018:45) reports that the Emjindini Traditional Council representatives raised a concern that the current Trustees are only serving their own interests and that of Barberton Mines, not that of the community.

During the Community Stakeholder Workshop, community representatives also accused the Trustees of failing to recognise and advocate for payment of royalties to the two local traditional councils within the Barberton jurisdiction (LoMshiyo Traditional Council and Emjindini Traditional Council).

Issues of royalty payments remain a conflicting matter in mining communities, especially in Barberton since local traditional leaders are convinced they are duly entitled to royalties. However, in Section 86 (e) of the MPRD Act of 2002, it is clearly stated that the Holder of Production Rights must pay royalties to the State.

#### **4.2.5.3 Enterprise Development**

Section 2.1 (objective) of the Trust Deed of the BMTT (2010:9):

*contribute to the empowerment and upliftment of the Designated Communities in accordance with the spirit and the purpose of the BEE Act, the Codes and the Charter.*

*The Trust also aims to involve designated communities in the procurement chain of Barberton Mines and to provide funding for social and commercial projects in the designated communities, which seek to benefit primarily Black persons.*

With that statement and in support of the motion of the dissolution of the BMTT, the Community Stakeholder Workshop Report (2018:48) states that the Chairman of the Umjindi Business Forum also criticised Trustees of the BMTT for their failure to develop local enterprise, link local SMMEs with the supply chain of Barberton Mines, and allocate funding for commercial projects and programmes.

### **4.3 COMMUNITY PROTESTS AGAINST BARBERTON MINES**

The recent transition of power and leadership in the HRD of Barberton Mines resulted in yet another uncontrolled community protest against Barberton Mines, demanding the immediate removal of the new HR manager.

The Barberton Mines' Quarter 4 Financial Report (2018:18) described that this community protest was the longest protest ever. It commenced on the 27<sup>th</sup> of March 2018 and dragged on until the 4<sup>th</sup> of May 2018, resulting in 39 days production shift loss, with R134 000 000.00 profit losses. The loss excludes the damaged roads, damaged company vehicles and extra security costs.

#### **4.3.1 Community V/S HR Manager**

Barberton Mines appointed the first Black HR manager in June 2017, and the decision was mostly welcomed by both employees and community members. However, the decision quickly changed and in March 2018, the Sheba Siding community (1.8km outside Sheba Mine), blocked the only road leading to Sheba Mine, demanding the immediate removal of the HR manager.

Richard Nkosi (2018:1) reports that the protest started very small, but later gained momentum and ended up escalating to other first-line mining communities; Noordkaap, Consort and Mlambongwane (less than a kilometre to New Consort Mine) and Sinqobile

Township/Verulam (2km outside Fairview Mine). The community labelled the HR manager as being disrespectful towards them. They further demanded to be employed by Barberton Mines.



Figure 4.1: Publication on community protest (Barberton Times, 18 April 2018)

#### 4.3.2 National Union of Mineworkers (NUM) VS HR Manager

In the midst of the community protest against Barberton Mines' HR manager, Barberton Mines' Security Quarter 4 Report (2018:7), reflects that the mine appointed legal representation to deal with the initiators of the protest. Some of the suspected initiators were the leaders of the local NUM.

Barberton Mines' Security Quarter 4 Report (2018:8) further states that Orders of Trespass were issued to 13 NUM leaders, including 19 community members who were perceived as leaders of the protests. The Orders of Trespass forbid all 32 from entering Barberton Mines' (Fairview, Sheba and New Consort Mines) premises.



Barberton Mines' Security Quarter 4 Report (2018:8) lastly reports that Barberton Mines later revoked the 32 Orders of Trespass, after thorough engagements and intervention from the Mpumalanga Provincial Department of Safety and Security. However, this later resulted in the dismissal of all 13 NUM leaders, and according to Barberton Times (2018:1) all 13 were dismissed without appearing in the disciplinary committee.



**Figure 4.2: Publication on Dismissal of NUM Members (Barberton Times, 06 June 2018)**

#### 4.4 ILLEGAL MINING IN BARBERTON GOLD MINES

According to Barberton Mines' Security Quarter 4 Report (2018:2), during the 39 days of the community protest, 85 illegal miners were caught stealing gold underground; 22 in March, 26 in April and 37 in the first week of May 2018. The total amount of gold bearings found on these 85 illegal gold miners amounted to R3 353 285.10.

The active areas of illegal gold mining cover a vast area of Fairview, New Consort and Sheba Mines. According to the Barberton Mines' Security Quarter 4 Report (2018:3), there are roughly 120 identified Adits on the Barberton Mountainlands that these illegal miners use to gain access into Barberton Mines' underground premises. The majority of these Adits are used

as ventilation shafts and cannot be closed, thus leaving Barberton Mines exposed to illegal access.



**Figure 4.3: Barberton Mountainlands Adits (Barberton Mines Security Quarter 4 Report, 2018)**



**Figure 4.4: Ventilation Adits in the Barberton Mountainlands (Barberton Mines Security Quarter 4 Report, 2018)**

#### 4.4.1 Impact of Illegal Mining in Barberton

Illegal mining is problematic in most African states. Apart from exploiting the mineral resources of a country, it has many negative consequences that leave a permanent scar in mining communities, ranging from high security costs for mining companies, economic losses, job cuts, prostitution, human trafficking and many more.

The Business Report (2009) relays that the negative effect of illegal gold mining in Barberton have moved from economic pillage to cutting into the social strata of the local communities, where girls as young as 14 years are used as sex commodities by their mothers and grandmothers, charging R200.00 per night per girl. It is further reported that during the 2008 underground parade and search at Fairview Mine, Barberton Mines' security discovered a 12-year-old boy-prostitute amongst the 588 illegal miners caught underground. The majority of these miners were illegal immigrants from Mozambique, Zimbabwe and Swaziland. The Business Report further reports that the rate of children (boys and girls) dropping out of school increased during 2007 and 2008, as a result of teenage pregnancy and boy children joining the illegal mining team.

Barberton Mines' Security Quarter 4 Report (2018:7) also gives a brief overview of the direct negative effect of illegal mining in Barberton:

- a) *Direct employment of which Barberton Mines has a total of 2800 employees, feeding about 10 000 beneficiaries, and should the company shut down due to the high rate of illegal mining, about 10 000 beneficiaries will starve;*
- b) *Business opportunities resulting from Barberton Mines activities are directly affected as the company spends less on goods and capital and more on security service, and the situation may impair in case Barberton Mines shuts down;*
- c) *Six (6) illegal miners lost their lives between March 2018 and beginning of May 2018;*
- d) *Less spending on socio-economic community development programmes due to decreased profits; and*
- e) *Higher security costs which increased by 29% as compared to the 2017/18 financial year (Barberton Mines' Security Quarter 4 Report, 2018:7).*

According to Barberton Mines' Security Quarter 4 Report (2018:8), the majority of illegal miners live within the vicinity of Barberton Mines (Sheba Siding, Sinqobile Township, Noordkaap and eMlambongwane). Illegal mining provides some income to these communities; enough to pay for their rent, prostitution, small businesses, etc.

#### **4.5 BARBERTON MINES: BATTLEGROUND FOR POLITICAL POWER**

Back in the 2012/13 financial period, Barberton Mines witnessed another well-planned community protest, led by the soon to be Ward Councillor of Ward 44. The Barberton Times (Nkosi, 2013:1) reported that more than 200 unemployed youth in Barberton marched to Fairview Mine, demanding a share of the company's wealth. The well-known community leader of the Umjindi Community Forum delivered a memorandum to Barberton Mines' HR manager, saying the youth wanted the wealth of Barberton Mines because it is situated on their land, thus the wealth should be shared with them. Umjindi Community Forum also demanded 70% of local employment in terms of general labour and 50% of local management employment.

The leader/Chairman of the Umjindi Community Forum was highly recognised and respected by many, especially the youth, for his uproar against Barberton Mines. The Barberton Times (Nkosi, 2016:3) reports that at the peak of his glory days, this leader of the Umjindi Community Forum was elected an ANC Councillor for Ward 45 during the 2016 municipal elections.

He was not the only local community leader who used such strategies against Barberton Mines to gain popularity in Barberton. The Mpumalanga News (Hlatswayo, 2016:4) also reports that production was brought to a standstill on the 30<sup>th</sup> of November 2016 at Fairview Mine when residents from around the area, including Emjindini Township, marched to Fairview Mine demanding employment. Former Ward 7 ANC Councillor and the Regional Secretary of SANCO were amongst the identified leaders of the protest.

#### **4.6 CONCLUSION**

This chapter presented a detailed background on some of the conflicting matters between Barberton Mines and the community. The BMTT was reviewed, giving a clear background on its establishment, objectives, appointment of Trustees and their powers. Though BMTT is a

fundraising mechanism of Barberton Mines as prescribed in the Mining Charter (2010), the community of Barberton is not in favour of it and wants it disbanded, since they feel they have no power over it.

The recent battle between the Barberton community and Barberton Mines' HR manager, which led to the dismissal of 13 NUM executive, was also explained in this chapter.

Lastly, this chapter shed light on how Barberton Mines is used as a centre of power by the emerging local leaders who want recognition in communities.

## **CHAPTER 5**

### **CAUSES OF CONFLICT**

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#### **5.1 INTRODUCTION**

This chapter gives an in-depth discussion of the causes of conflict as per the findings discovered through the collected data.

Survey data (closed-ended) was randomly collected from 225 households: 120 in Ext 11 Emjindini Township, 40 in Sheba Siding, 33 in eMlambongwane, commonly known as Mandela Village, 12 in Noordkaap, 11 in Emjindini Trust and nine in Sinqobile Township. Principal data was also collected from various community structures and key leaders through focus group discussions and one-on-one interviews.

#### **5.2 DEMOGRAPHIC DATA OF RESPONDENTS**

For effective and efficient results, the research targeted the out of school youth, both employed and unemployed, and residing within the vicinity of Barberton Mines.

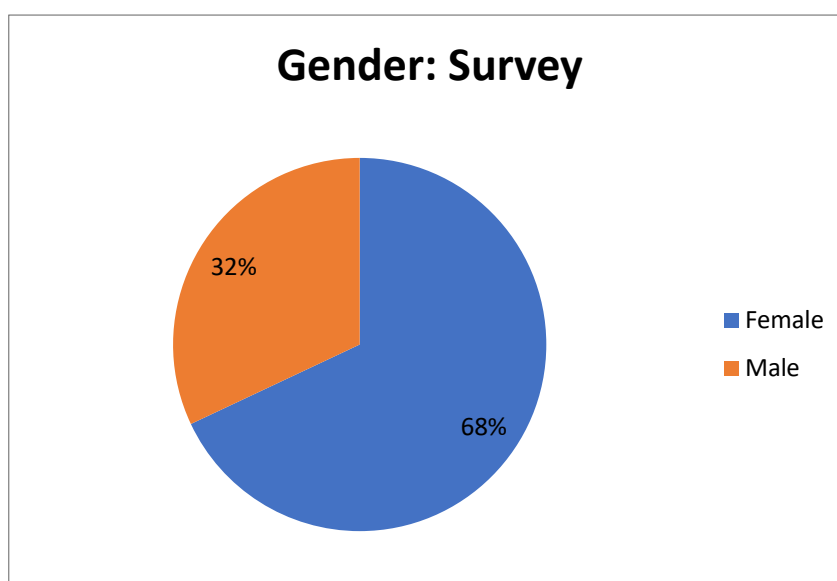
Data was also gathered from relevant community structures, its leaders, local government political leadership, branch leaders of the NUM and management of Barberton Mines.

A closed-ended survey questionnaire was distributed to the 225 randomly selected households during April 2018, when the community was up in arms against Barberton Mines.

The survey report reveals that 68% of the respondents were unemployed females, ranging between 20 to 35 years old, and 32% were unemployed males, ranging between 20 to 40 years old.

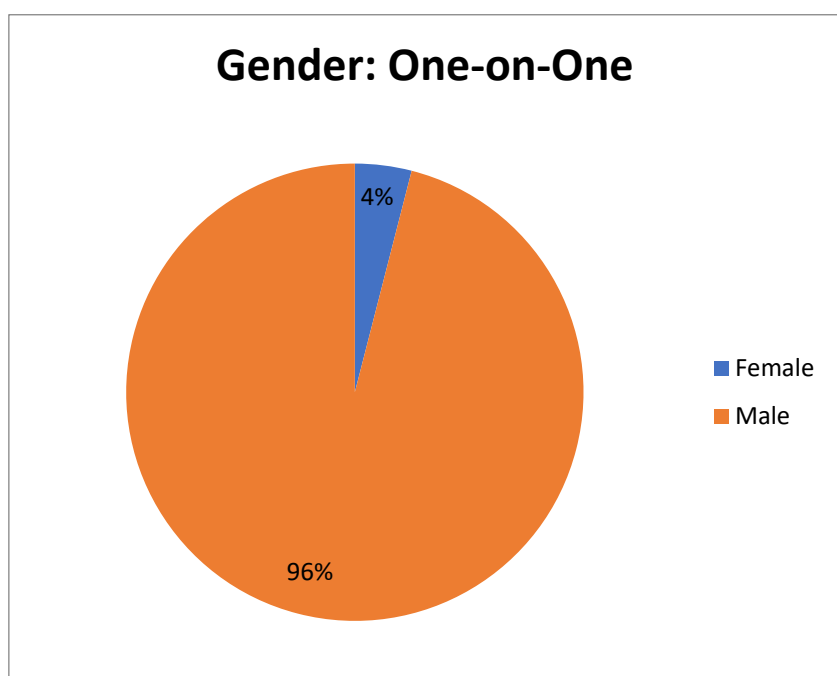
##### **5.2.1 Gender**

Figure 5.1 shows a representation of the gender data from the collected survey report.



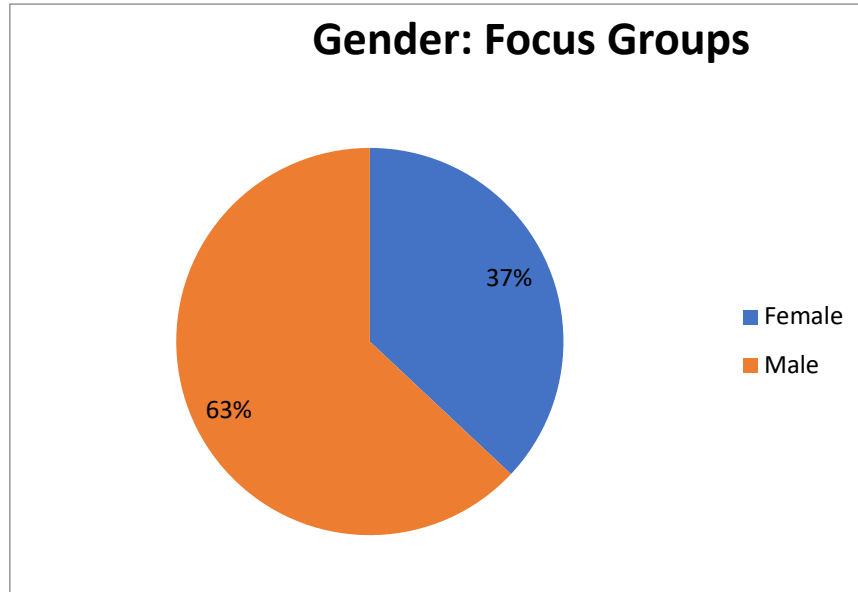
**Figure 5.1: Household Survey – population distribution by gender (Source: Own findings)**

Figures 5.2 and 5.3 illustrate the gender representation for both one-on-one interviews and focus group discussions.



**Figure 5.2: One-on-One Interviews – population distribution by gender (Source: Own findings)**

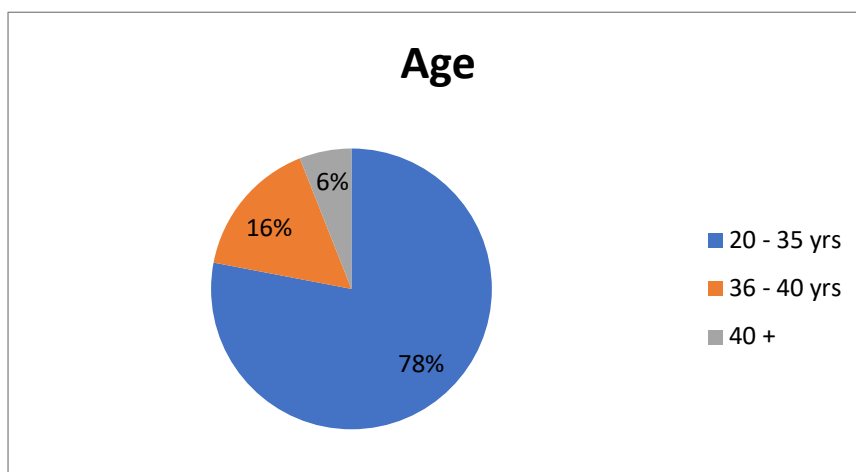




**Figure 5.3: Focus Group Discussions – population distribution by gender (Source: Own findings)**

### 5.2.2 Age

The age distribution of respondents (including survey, one-on-one interviews and focus groups) is presented in Figure 5.4 and reveals that 78% of respondents are between 20 to 35 years old. Key informants also fall within this age category.



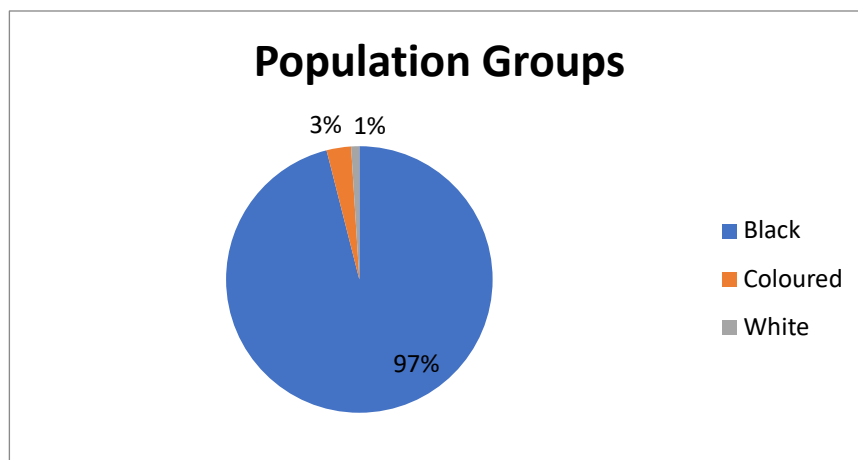
**Figure 5.4: Population Distribution by Age (Source: Own findings)**



### 5.2.3 Population Groups

Barberton Mines (Fairview, Sheba and Consort) is centred around the rural and semi-rural (developing) villages/areas of Sheba Siding, eMlambongwane, Noordkaap, Sinqobile Township and Dixie Farm, where the majority of the Black population resides.

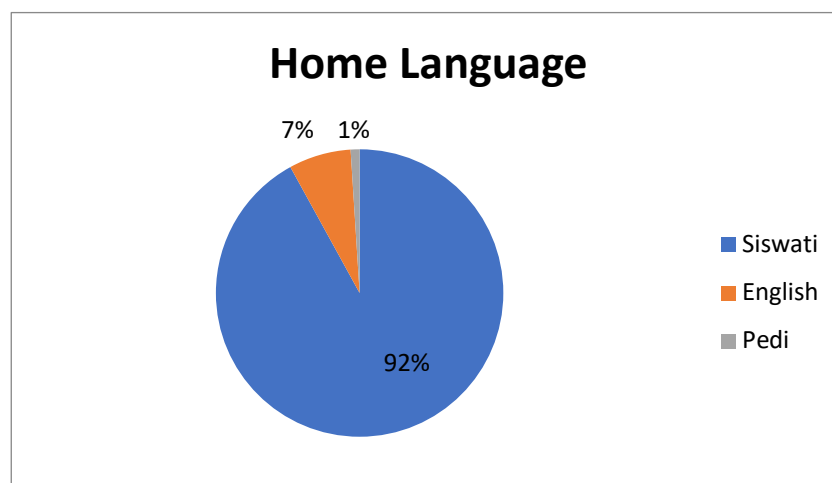
Over the years, Barberton Mines experienced a high number of community protests, in which only the Black population actively participated. Figure 5.5 shows a survey/interview report of various population groups that participated in the research.



**Figure 5.5: Population Distribution by Racial Group (Source: Own findings)**

### 5.2.4 Home Language

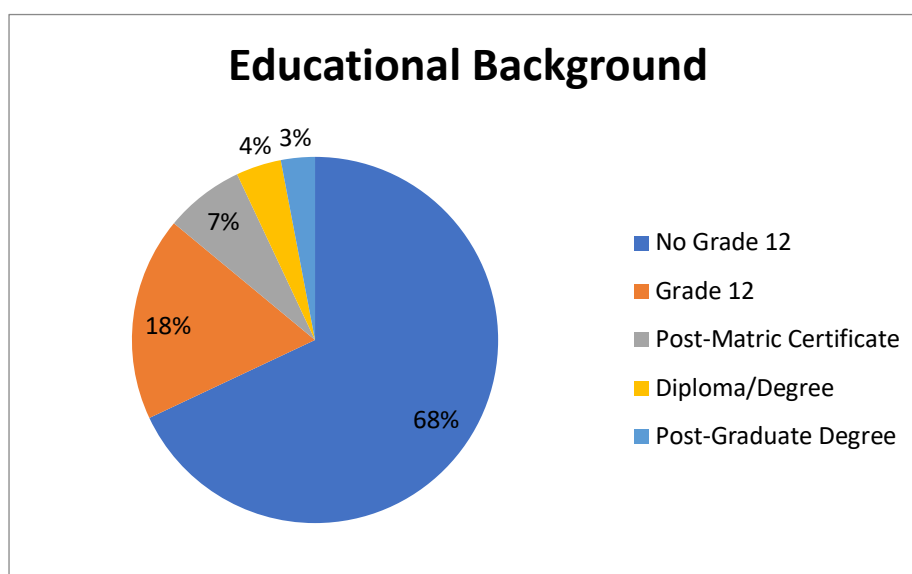
The majority of respondents are SiSwati-speaking people, with very little English and Pedi-speaking respondents.



**Figure 5.6: Home Language of Respondents (Source: Own findings)**

### 5.2.5 Educational Background

The survey and focus group interview results show that a high number of respondents did not complete Grade 12. Figure 5.7 gives a detailed presentation of the respondents' education background in the areas surrounding Barberton Mines, with 68% of youth without Grade 12 certificates.



**Figure 5.7: Educational Background of Respondents (Source: Own findings)**

### 5.2.6 Employment/Economic Status

Unemployment is rife in Barberton, and the youth is commonly the most affected. This explains the high number of youths actively participating in both legal and illegal protests against Barberton Mines, hoping for employment opportunities.

Table 5.1 presents the economic status of respondents.

**Table 5.1: Economic Status of Respondents (Source: Own findings)**

Status	Percentage	Number
Employed	16%	40
Unemployed (No government Grant)	34%	85

Status	Percentage	Number
Government Grant	48%	120
Self-employed (Street vending and Spaza shop owners)	2%	5
<b>Total</b>	<b>100%</b>	<b>250</b>

### 5.2.7 Barberton Origin V/S Foreign

**Table 5.2: Originality of Respondents (Source: Own findings)**

Originality	Percentage	Number
Born in Barberton	28%	70
Arrived between 2013 and 2018	58%	145
Arrived between 2007 and 2012	6%	15
Arrived between 2006 or before	8%	20
<b>Total</b>	<b>100%</b>	<b>250</b>

The numbers in Table 5.2 reveal that only 28% of the respondents residing in and around Barberton Mines were born and grew up in Barberton. The remaining 72% are people who migrated to Barberton for economic opportunities, especially since Barberton is a mining town.

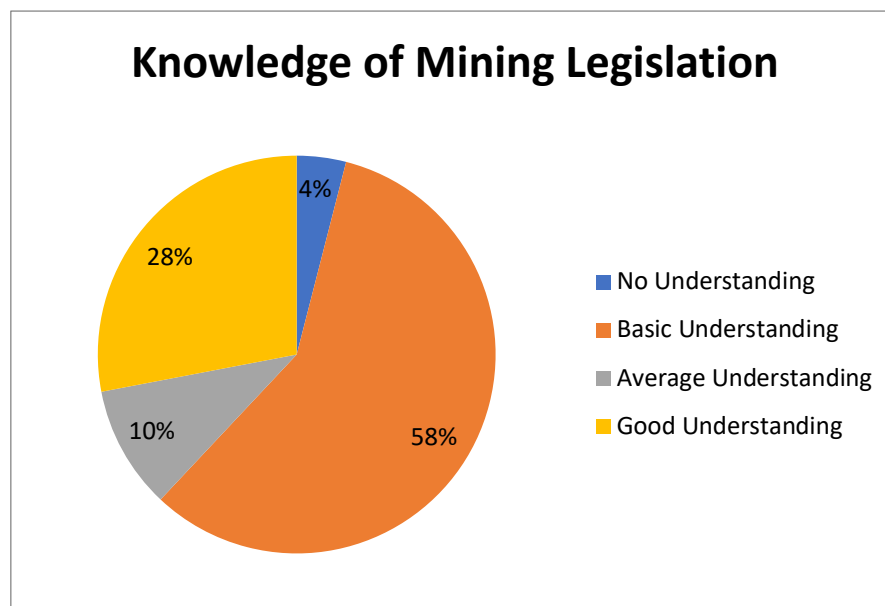
### 5.2.8 Knowledge of Mining Legislation

Mining legislation, especially the Mining Charter (2010), is differently interpreted by relevant stakeholders within the spheres of government, the mining sector itself and amongst mining communities. The Concept Document for the City of Mbombela Mining Indaba (2016:24) reveals the term ‘Local Community’ is interpreted differently by all three spheres. For example, the DMR is a national department and therefore interprets the term ‘local community’ in the South African context, and provincial governments have different interpretations of the term by defining it in line with the provincial borders. The confusion goes further to district

municipalities that interpret the term in line with their districts' jurisdictional borders, and local municipalities' interpretation is different, as it is defined in relation to the municipal space/boundary only.

As much as government has no systematic uniform/standard definition of specific terms listed in mining legislation, the same system applies amongst the industry's stakeholders and communities.

Figure 5.8 gives a detailed percentage of respondents' knowledge of mining legislation in the area.



**Figure 5.8: Knowledge of Mining Legislation (Source: Own findings)**

Most one-on-one interview participants had an average understanding of the legislation, whereas the most vocal participants in focus groups showed a basic understanding of the legislation, with confidence that Barberton Mines must only appoint/employ the 'locals' in all general work opportunities/vacancies.

The level of misinterpretation of the term 'local community' has gone beyond the local government's interpretation. It has escalated to municipal wards/villages where the term is interpreted and referred to as only villagers residing in that particular area. For example, Sheba Mine (Barberton Mines' gold mine on the far east of Barberton), which is near Sheba Siding, Lows Creek and nearby farms, must only employ people from within that space. The same

principles must apply to New Consort Mine, which is right under the foot of eMlambongwane, Noordkaap and nearby farms, as well as Fairview Mine, also in closer proximity to Sinqobile Township and Dixie Farm.

### **5.3 CAUSES OF CONFLICT**

#### **5.3.1 Unfair Recruitment Processes**

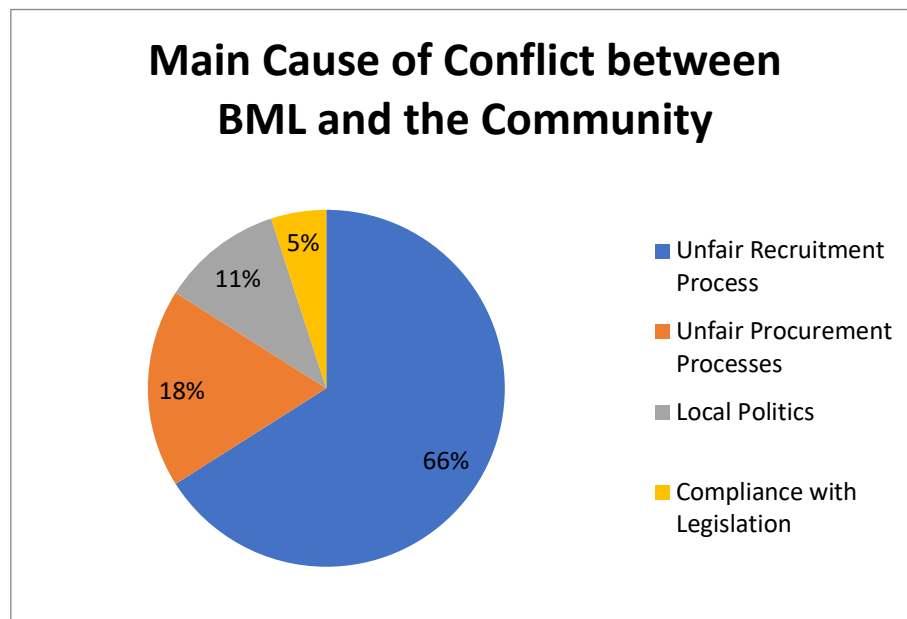
SERO Report (2015) reveals that the high unemployment rate, coupled with a high influx of unemployed youth and school dropouts, are ongoing social challenges in Barberton. Recruitment of general labourers remains a nightmare for Barberton Mines as it always triggers unrests and results in operation shutdown and income losses.

The community, on the other hand, continues to be divided as a result of surrounding mining villagers/communities believing that Sheba Mine must only employ people from Sheba Siding and surrounding communities, New Consort Mine employing eMlambongwane villagers and surroundings, and Fairview Mine employing only Sinqobile and Dixie villagers. This belief leaves people from Emjindini Township, Barberton Town and surroundings frustrated and angry towards Barberton Mines for entertaining ‘selfish’ demands from the adjacent communities. The Umjindi Community Forum (Focus group) strongly emphasised that if Barberton Mines continue to entertain the adjacent communities’ demands, they also have the capacity to block the roads and cause more havoc as compared to the adjacent communities; most of which (especially Sinqobile Township) came to be after 1994.

The Barberton Mines’ HR recruitment team is also accused of nepotism and taking bribes (livestock, such as one female cow, or R7000.00) in exchange for each low or non-skilled employment opportunity. As a result, communities take to the streets and demonstrate their anger and dissatisfaction with this unjust system.

The HR recruitment team of Barberton Mines is further accused of favouring and appointing low or non-skilled labourers from outside Barberton because they are not from Barberton themselves.

Figure 5.9 depicts the results of both the surveys and focus group interviews of the main causes of conflict between Barberton Mines and the community.



**Figure 5.9: Main Cause of Conflict (Source: Own findings)**

Unfair recruitment processes, especially of general labourers, has been identified as the main cause of conflict by the majority of respondents.

During the interviews with the local political structures, it was further raised that recruiting general labourers from Ward Councillors in 2014/15 was Barberton Mines' biggest downfall because it created political warfare between the ANC and EFF, since the ANC was in charge of wards which automatically led to ANC members being appointed, leaving EFF members behind.

Lastly, focus group discussions also raised an alarming claim that Barberton Mines is not complying with Employment Equity elements of the 2010 Mining Charter. As a result, there are very few HDSA in management positions, hence the lack of understanding of communities' needs and poverty.

Table 5.3 reveals issues relating to unfair employment conflicts raised during the open-ended discussions with focus groups and one-on-one interviews.

**Table 5.3: Unemployment as one major cause of conflict (Source: Own findings)**

<b>Conflicting Employment</b>	<b>Issue:</b>	<b>Percentage</b>	<b>Number</b>
Import of general labour from Nkomazi/Shongwe Mission and Matsulu, which automatically result in increase in number of busses transporting labour from these two areas		20%	5
Lack of recruitment strategy by Barberton Mines which resulted in Ward Councillors recruiting general labour on behalf of Barberton Mines		80%	20
<b>Total</b>		<b>100%</b>	<b>25</b>

Barberton Mines' Human Resource Quarter 2 Report (2016:17) states that during December 2016 community protests against Barberton Mines, the general manager and HR manager agreed to appoint 120 general workers from all seven wards of the former Umjindi Local Municipality and all respective Ward Councillors had to champion the recruitment.

This decision managed to cool the situation for a short period; thereafter, the rise of organised community protests ensued, led by either SANCO or the EFF, demanding similar treatment received by ANC Councillors.

The community survey also seemed to agree with the SANCO and EFF standpoint as the community voted against the Ward Councillors handling both recruitment and procurement for Barberton Mines.

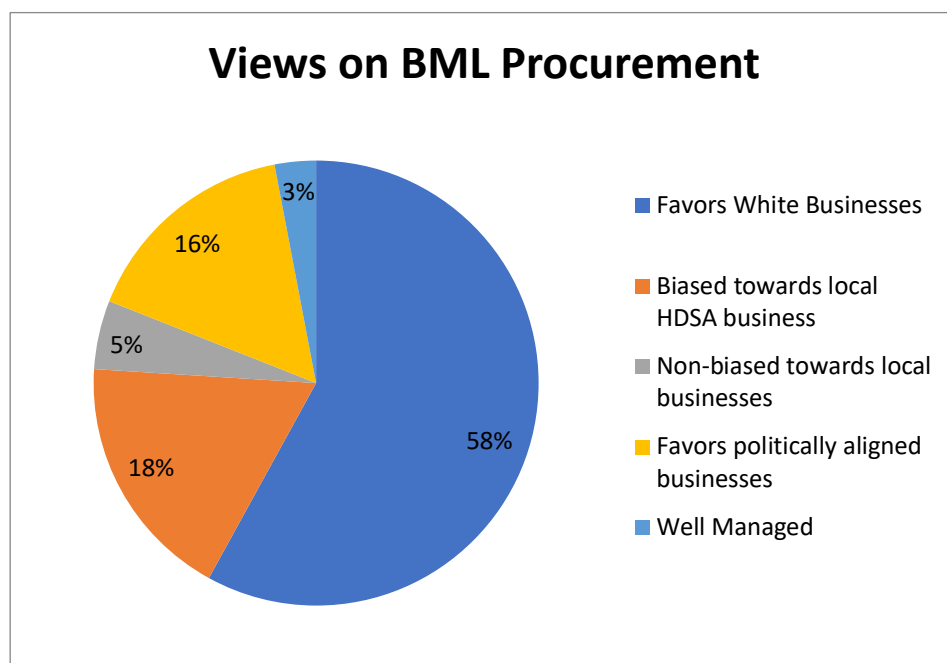
### 5.3.2 Unfair Procurement Process and Enterprise Development

Procurement was identified as the second most prominent cause of conflict between Barberton Mines and the community.

Both organised business and community structures rejected the current procurement procedure of Barberton Mines, citing that it favours White capitalists and monopoly businesses. Barberton Mines procurement policy is perceived and labelled as the ‘strategic devil’ designed to disempower local HDSA businesses in terms of business opportunities, enterprise development and supplier development.

Even though Barberton Mines is labelled as the ‘strategic devil’, the Barberton Mines’ Mining Charter Scorecard Report (2014) reveals that the mine improved and almost met the 2014 national standards (of procuring 40% of capital goods, 70% of services and 50% of consumables) in terms of using local suppliers. The Mining Charter Scorecard Report of Barberton Mines (2014:1) claims the company’s procurement spent on local businesses was 34% on capital goods, 59.77% on services and 49.50% on consumable goods.

Figure 5.10 shows the percentage of different views received from respondents on their level of dissatisfaction with the Barberton Mines’ procurement system.



**Figure 5.10: Views on Barberton Mines’ Procurement (Source: Own findings)**



The business community is also of the view that Barberton Mines is not complying with the BBBEE Act, which mandates mining and other industries to develop local enterprises and suppliers, hence local small businesses are in no position to assist Barberton Mines and local government in the fight against poverty and unemployment in the area.

Table 5.4 shows the suggested ways for Barberton Mines to consider improving the company's procurement department.

**Table 5.4: Proposed suggestions for BML Procurement (Source: Own findings)**

<b>Conflict Item on Procurement</b>	<b>Percentage</b>	<b>Number of Respondents</b>
Local businesses to get preferential treatment on non-technical business opportunities	70%	17
Provide necessary technical skills to interested local HDSA	6%	2
Provide funding for economic development Programmes in Barberton	24%	6
<b>Total</b>	<b>100%</b>	<b>25</b>

### **5.3.3 Barberton Mines Transformation Trust (BMTT)**

The BMTT remains a centre of attention and battle for power mostly from recognised local community structures and political leadership. Ordinary citizens are less interested and only focus on employment opportunities.

During the focus group discussions with both Umjindi Community Forum and Umjindi Business Forum, both organisations sharply criticised and raised their dissatisfaction with procedures used to established BMTT. Both forums cited that there were no community consultations, and Trustees serving on the board were incorrectly nominated, especially the

community representative Trustees, who are the former Executive Mayor and Municipal Manager of Umjindi Local Municipality. For that reason, BMTT should be disbanded, and the Trust Deed should be amended to allow community members to nominate and elect their own preferred candidates. This action would then enable an official conversion of BMTT into a recognised Community Trust.

**Table 5.5: Proposed disbandment of BMTT (Source: Own findings)**

<b>Conflicting Issue: BMTT</b>	<b>Percentage</b>	<b>Number</b>
Disband BMTT, allow community representatives to nominate and elect Trustees and convert BMTT into a Community Trust	92%	23
BMTT remains a Barberton Mines fundraising tool for Socio-Economic Development	8%	2
<b>Total</b>	<b>100%</b>	<b>25</b>

#### **5.3.4 Ownership and Royalties**

The 26% BBBEE ownership of Barberton Mines also remains a challenge for the company. The local business community feels that ownership should be localised, and no Johannesburg-based company must own shares in Barberton.

The Barberton Mines' Mining Charter Scorecard Report (2017:2) shows the new ownership composition as presented in Table 5.6.

**Table 5.6: BML Ownership Summary Report 2017 (Source: BML Mining Charter Scorecard Report on Ownership: 2017)**

<b>Ownership Summary Report</b>	
<b>Shareholder</b>	<b>Percentage</b>
Concrete Rose (Pty) LTD (BBBEE partner)	21%
Barberton Mines Employees (ESOPS)	5%
Pan African Resources PLC	74%
<b>Total</b>	<b>100%</b>

### 5.3.5 Technical Training Centre

Barberton Mines is further criticised of failing to establish a technical training college in the area; a centre to provide artisan engineering skills which will serve as a talent pool for Barberton Mines. The community, especially youth structures, thinks that the technical centre will eradicate the high level of unskilled labour in Barberton.

Barberton has a TVET College that offers non-engineering skills such as business management skills. The community believes that Barberton Mines must also engage the Barberton TVET College to introduce engineering skills with the condition that Barberton Mines will later absorb the qualified graduates and appoint them as artisans.

**Table 5.7: Proposed Technical Training Centre (Source: Own findings)**

<b>Establishment of a technical training centre</b>	<b>Percentage</b>	<b>Number of Respondents</b>
Engage Barberton TVET to introduce mining and related courses in the Barberton Campus	78%	18
Convert Sinqobile Life Skills Centre into an accredited technical centre	22%	8
<b>Total</b>	<b>100%</b>	<b>25</b>

### **5.3.6 Human Resource Development (HRD)**

The Umjindi Community Forum is one vocal group that insists Barberton Mines is failing the community in many aspects in terms of skills development.

The first challenge is on Barberton Mines' External Bursary Programme, which only caters for mining engineering and related qualifications. The Forum demands that Barberton Mines review its external bursary policy and accommodate other fields of study since not all local youth is interested in engineering, maths and science.

The second challenge is with the 18.2 Learnership Programme; Barberton Mines is accused of failing to execute the programme and develop local Black artisans. Barberton Mines has not provided such an opportunity for the community in the past 9 years. The only ones who benefit through this programme are Barberton Mines' existing employees and the internal intake is minimum.

## **5.4 RESPONSES FROM BARBERTON MINES AND NUM**

One-on-one interviews were held with one executive member of the management team of Barberton Mines, who also serves on the executive structure of the BMTT. This was followed by another one-on-one interview with an executive member of the Barberton NUM branch, before he was expelled from Barberton Mines.

### **5.4.1 Barberton Mines**

#### **5.4.1.1 Unfair Recruitment Processes**

During the one-on-one interview with the one management team member of Barberton Mines, also serving as a Trustee on the BMTT, he responded that the community's perception of Barberton Mines employing people from outside Barberton was not correct because, according to the SLP Labour Report (2014:8), out of the 1860 employees, roughly 1503 employees are from Barberton and surroundings, 109 from Matsulu, 148 from Shongwe Mission (Nkomazi), 9 from KaBokweni and 15 from Elukwatini. Barberton Mines has very few employees from

outside Mpumalanga: 16 from Limpopo, two from the Eastern Cape and five from KwaZulu Natal.

Barberton Mines also acknowledged that there were few foreign nationals in Barberton Mines' books: five were Swazis, 45 Mozambicans and three Zimbabweans, and they were all employed before 1994.

In this interview, it was also highlighted that the problem encountered by the company's HR recruitment team was that the local community members (community forums) and Ward Councillors want to manage the company's HR department. Barberton Mines cannot be blamed for appointing people/employees who were hand delivered by Ward Councillor; people/employees who met the criteria, including proof of local residence.

#### **5.4.1.2 Unfair Procurement Processes and Enterprise Development**

In this interview with the management team member of Barberton Mines it was confirmed that Barberton Mines had a procurement policy in place, which supports and rallies behind local businesses. However, in most instances, local HDSA businesses request upfront payment or 50% deposit prior delivery, hate competition, are not fully equipped and demand freebies. Barberton Mines, had, on many occasions, introduced and implemented small business mentoring programmes, but many local HDSA business lacked interest.

Barberton Mines also reserved non-technical business opportunities in favour of local HDSA businesses, yet the company experienced delays in deliveries, poor workmanship, inflated prices and supplier payment issues.

#### **5.4.1.3 Barberton Mines Transformation Trust**

When asked about the community's accusation of non-consultation during the formation of BMTT, the management team representative slammed the accusation. He responded that BMTT was established in terms of Section 2.2 of the Amendment of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry / Mining Charter (2010:2). Section 2.2 seeks to ensure that multinational suppliers of capital goods annually contribute a minimum of 0.5% of the annual income generated from local mining

companies towards socio-economic development of local communities to a social development fund from 2010.

He further cited that community structures needed to understand that BMTT was not a Community Trust, but a trust fund established in support of socio-economic development. BMTT was a Barberton Mines vehicle which ensures that multinational suppliers contributed to the social wellbeing of the local community. Annual reports of BMTT were tabled before Barberton Mines' shareholders, local municipality and the DMR.

Lastly, he explained that the request/demand from community structures to disband BMTT could not be discussed at length. However, because of the gross unhappiness from the community's side, Barberton Mines was looking at the possibility of restructuring BMTT in order to accommodate some of the community's expectations.

#### **5.4.1.4 Ownership and Royalties**

Section 86 (e) of the MPRDA (SA DMR, 2002) is very clear on who gets royalties. Royalties are paid to the State. The management team representative of Barberton Mines and BMTT responded that Barberton Mines could never go against the requirements of MPRDA and pay royalties to the Chiefs.

#### **5.4.1.5 Technical Training Centre**

The management team representative of Barberton Mines and BMTT stated that Barberton Mines had no social and financial obligation towards the construction of a technical college. He further said that necessary expertise was required to run and manage a technical centre, and Barberton Mines was in no position to provide this expertise.

He reiterated that the possible option for Barberton Mines was to, together with the local municipality, engage the local TVET College for the possible introduction of engineering courses in the Barberton campus. However, that would not guarantee any employment opportunities for future graduates since Barberton Mines could only employ a certain number of artisans.

#### **5.4.1.6 Human Resource Development**

The management team representative of Barberton Mines and BMTT responded that Barberton Mines understood its social obligation and development towards local communities, and as a result provided full comprehensive bursaries to mining engineering and related fields.

He further cited that the logic behind the bursary programme was to enhance the talent pool for Barberton Mines' mining engineering team and equip locals with necessary skills for the local mining sector.

#### **5.4.2 Responses from NUM**

The relationship between Barberton Mines' management and the expelled executive of NUM Barberton branch was severed at the time of this interview. The interview was held with one executive member of the NUM a few weeks before the entire NUM Barberton branch leadership was disbanded and expelled from Barberton Mines.

##### **5.4.2.1 Unfair Recruitment Processes**

When asked about the allegations of unfair recruitment processes in Barberton Mines, the NUM representative (Barberton branch) responded that Barberton Mines indeed continued to import general labour from Matsulu and Nkomazi (Shongwe Mission), hence the anger from the local people. Moreover, in Sheba Mine and New Consort Mine, about 70% of the general labour force commutes between these two mines – Shongwe Mission and Matsulu – yet, few local people were employed by Barberton Mines.

He further mentioned that it was high time the DMR and Department of Labour conducted a thorough labour audit to investigate their ongoing outcry of unfair labour wages within Barberton Mines, whereby some employees are paid more than others, despite doing the same quality of work and being at the same job level.

#### **5.4.2.2 Unfair Procurement Processes and Enterprise Development**

When asked about the allegations of unfair procurement processes of Barberton Mines, the focus group representing NUM (Barberton branch) responded there was a serious problem within the procurement department of Barberton Mines. One group member claimed that if Barberton Mines denied that they strategically side-lined the local/Barberton business community, then Barberton Mines must show at least five local HDSA companies that benefit from its supply chain processes.

The focus group members were convinced that the majority of BEE beneficiaries who fully benefit from Barberton Mines' supply chain were old White businesses and very few Johannesburg-based Black businesses, especially the Shanduka Group.

#### **5.4.2.3 Barberton Mines Transformation Trust**

The focus group discussion with NUM representatives determined that the BMTT was a vehicle orchestrated by the former financial manager and HR manager of Barberton Mines, for the benefit of Barberton Mines' ambitious individuals and not for the community. The Chairman further cited that according to the 2010 Mining Charter, mining companies were mandated to collect 0.5% (of the total profits gained from the local mines) from the multinational suppliers, and since Barberton Mines always reported R0.00 on procurement spent on multinational suppliers, then what was its (Barberton Mines) reasons for establishing the BMTT?

In conclusion, the focus group expressed its support for the call from the community for the disbandment of the BMTT, because the community representative Trustees were appointed by Barberton Mines without the consent of the community, and they do not represent the interests of the community but that of Barberton Mines.

#### **5.4.2.4 Ownership and Royalties**

The focus group discussion with NUM emphasised that ownership should be localised and centred around Barberton. The focus group members seemed unhappy that the 26% share ownership belonged to Shanduka Group.



The researcher observed that, during the interview, this particular focus group was not aware of the changes in the 26% BEE ownership. The group was under the impression that the 26% ownership was still in the hands of Shanduka Group. However, during the interview, the 26% BEE ownership belonged to Concrete Rose (Pty) Ltd owning 21% and qualifying employees owning 5%.

The focus group discussion also slammed the ESOP (employee share ownership plan), which they viewed as a shame and an insult to employees. The group sounded frustrated, citing that as so-called 'shareholders' they never attended shareholders' meetings, they never had access to the company's audited financial statements, and they never got to know and understand the current and future projected plans of the company. They referred to themselves as shareholders who never got a chance to share profits, but only shared losses or margins.

In conclusion, when asked about the local Chiefs' demand of royalties, the group responded that the local Chiefs were aware of the MPRDA requirement of taxes and royalties paid to the State. What the Chiefs were asking for was financial recognition from the CSI or BMTT funding. They said that Barberton Mines was aware of the request from the Chiefs, and as usual, they chose to be unreasonable.

#### **5.4.2.5 Technical College and Human Resource Development**

The NUM focus group believed that if Barberton Mines, through BMTT, had money to build clinics, roads, schools, community youth centres, and fund all kinds of political factions, they could build the requested technical college.

The group stressed that the possibility of building a technical college was there if the CSI department was determined to do it. The same applied with the External Bursary Programme; it was the CSI department that introduced and designed it to suit a certain agenda of eliminating the larger group of society.

The group felt that it was no secret that most local high schools had very few maths and science learners, and it made no sense for a company like Barberton Mines to focus on very few members of society and exclude the larger group.

The group reiterated that Barberton Mines' CSI should revise its external bursary policy and accommodate the larger part of the population, as not every young person had ambitions of becoming a Mining Engineer or a Geologist.

## **5.5 RESPONSES FROM DMR**

An open-ended questionnaire was sent to DMR Mpumalanga Regional Offices at Emalahleni for finalisation. The questionnaire was distributed to several Directorates within the DMR before being sent back to the researcher.

### **5.5.1 Contributory Elements to Violent Protests in Mining Communities**

The DMR is of the opinion that mining companies' failure to comply with the mandatory legislative framework contributes to the endless violent protests in mining communities. The DMR's inadequate HR department is a major contributory factor that led to mining companies being non-compliant since no one is monitoring compliance.

### **5.5.2 Systems to ensure compliance from Mining Companies**

The Department has a reporting system dictating that mining companies are required to annually report on their progress in terms of meeting the Mining Charter targets. Due to insufficient human resources within the Department, it becomes very difficult to reach each mine quarterly, hence relying on information received from mining operations/companies.

### **5.5.3 Communication Systems to provide necessary feedback on mining companies' performance to mining communities**

The current method used to communicate the mining companies' performance is through the Local Economic Development Forum (LEDf) at local municipalities.

Local municipalities are the custodians of the communities and LED Forums; therefore, such forums are used as platforms for community engagements. Mining companies are obliged to present progress reports on the achievements and non-achievements of their targets.

#### **5.5.4 Structured Awareness Programmes by DMR on Mining Communities**

Apart from community consultation processes which are available on request by local municipalities or communities, there are no structured awareness programmes in mining communities.

#### **5.5.5 Youth Development/Empowerment Programmes**

The DMR's Special Programmes Directorate executes the responsibilities of empowering the youth with various empowerment programmes.

#### **5.5.6 Youth Empowerment Programmes linked to each SLPs of Mining Operations**

SLPs are not mandated to only focus on youth development; they are meant to focus on both employees within the mining operations and communities residing closer to mining operations. Youth development programmes are independently implemented through different programmes not only linked to SLPs.

#### **5.5.7 Obligations for Mining Companies to link Youth Empowerment Initiatives in their SLPs**

Currently, there is no system or framework that obliges mining companies to act on or link youth development initiatives to their SLPs. However, nothing stops mining companies from empowering local youth.

#### **5.5.8 Small-scale Mining as Poverty Relief and Youth Development Initiative**

Small-scale mining was designed to serve the interest of the HDSA, but apparently, it does not happen as intended in some Regions. Regulation is the main culprit.

Most Regional Offices of the DMR seem to give priority to Prospecting and Mining rights which are owned by Multinational Corporations/foreign companies. Local applicants, who normally apply for mining permits are ignored and this has led to a serious backlog in applications. It is very difficult to give Black people access to mineralised land and for the

government to alleviate poverty, let alone uplift our defunct economy and reduce the rate of unemployment. At this present moment the survival of small-scale miners is minimal since all the 'rich' land has been taken; what is left for small-scale miners is a barren land.

#### **5.5.9 Definition of the term 'local community'**

In terms of the Constitution, every citizen of South Africa shall benefit from the minerals of this country. Therefore, the DMR regards the terms 'local' as South Africa. The DMR is also cognizant of the host community which presides under the district and local municipalities.

#### **5.5.10 Labour-sending areas**

As much as the DMR and mining companies are aware of the different interpretations and demands from local communities closer to mining operations, mining companies have a legislative obligation towards its labour areas, even outside the municipal boundaries of its operations. The DMR and mining companies should never be perceived as promoters of tribalism. The minerals of the country are for all, and every South African must enjoy the benefits.

#### **5.5.11 Advice to Barberton Mines on Different Interpretations of the term 'local community'**

The Mine should apply the constitution and consider that charity begins at home. It is significant that the mining company should prioritise the host community and reach an agreement with the host community leaders on the percentage/figure for labour promoting areas in relation to SLP programmes.

#### **5.5.12 Barberton Mines' Implementation of the 2009 and 2015 SLP**

Barberton Mine has done exceptionally well on its 2009 and 2015 SLPs, despite endless challenges from the local municipality and community structures, including LEDF.

## **5.6 CONCLUSION**

The chapter gave detailed demographic information of all respondents who participated in the study, their level of education, understanding of the mining legislation, and additional details. The chapter also presented in-depth causes of conflict between Barberton Mines and the community, as per the findings of the survey research, one-on-one interviews and focus group discussions.

The ever-rising demand for employment at Barberton Mines, for business opportunities and the disbandment of BMTT, are the three top causes of conflict between Barberton Mines and the community.

Barberton Mines and the NUM had the opportunity to respond to the identified causes of conflict, and both presented different opinions and responses.

## **CHAPTER 6**

### **THE MINING CHARTER AS CONFLICT RESOLUTION MECHANISM**

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#### **6.1 INTRODUCTION**

The Mining Charter of 2010 and the newly approved Mining Charter of 2018 are studied here as part of the significant conflict resolution mechanisms. Therefore, this chapter critically analysis elements of both the 2010 Mining Charter as well as the new 2018 Mining Charter. Key elements of the 2010 Mining Charter are carefully examined and compared to the 2018 Mining Charter, for the effective benefit of society.

The chapter is also proposing strategic solutions for the conflict between Barberton Mines and the Barberton community, by using solutions as prescribed in the Mining Charter (2018).

#### **6.2 MINING CHARTER AS CONFLICT RESOLUTION**

The newly revised and approved Mining Charter (2018) received massive criticism from the general public and industry stakeholders before its approval and gazetting in September 2018.

##### **6.2.1 Definition of Terms**

There seem to be different definitions of certain critical terms in both the 2010 Mining Charter and the 2018 Mining Charter. These definitions are discussed next.

Mining Charter (2010:iii) defines ‘BEE Entity’ as an entity of which a minimum of 25% + 1 vote share capital is directly owned by HDSA as measured in accordance with the Flow-Through Principle. On the other hand, the Mining Charter (2018:8) classifies BEE concept into various categories and gives a detailed explanation of each term/category as follows:

- a) *BEE entrepreneur refers to a Historically Disadvantaged Person or enterprise that is at least 51% owned by Historically Disadvantaged Persons (excluding host*

*communities and qualifying employees) with at least 51% of exercisable voting rights and 51% of economic interests,*

- b) BEE shareholding refers to shares held by BEE entrepreneurs, host communities and qualifying employees, and*
- c) BEE compliant company means a company with a minimum BBEE level 4 status in terms of the Department of Trade and Industry's Broad-Based Black Economic Empowerment Codes of Good Practice, and minimum 25% +1 vote ownership by Historically Disadvantaged Persons (Mining Charter, 2018:8).*

### **6.2.1.2 Beneficiation**

As per the Mining Charter (2010:iii), the term 'beneficiation' means the transformation of a mineral (or a combination of minerals) to a higher value product, which can either be consumed locally or exported. The term 'beneficiation' is often used interchangeably with mineral 'value-addition' or 'downstream beneficiation'.

The Mining Charter (2018:8) also described the term 'beneficiation' as the transformation, value-addition or downstream processing of a mineral or mineral product (or a combination of minerals) to a higher value product, over baselines to be determined by the Minister, which can either be consumed locally or exported.

### **6.2.1.3 Broad-Based Socio-Economic Empowerment**

The Mining Charter (2010:iii) defines 'Broad-Based Socio-Economic Empowerment' as the socio-economic strategy, plan, principle, approach or act which is aimed at

- a) Redressing the result of past or present discrimination based on race, sex and disability of historically disadvantaged persons in the minerals and petroleum industry, related industries and in the value chain of such industries;*
- b) Transforming such industries to assist in, provide for, initiate, facilitate or benefit from the;*
  - i) ownership participation in existing or future mining, prospecting, exploration and beneficiation operations;*
  - ii) participation in or control of the management of such operations;*

*iii) development of management, scientific, engineering or other skills of HDSA;*  
*iv) involvement of or participation in the procurement chains of operations; and*  
*v) integrated socio-economic development for mine workers, host communities, major labour-sending areas and areas that due to unintended consequences of mining are becoming ghost towns by mobilising all stakeholders' resources (Mining Charter, 2010:iii).*

The Mining Charter (2018:10) defines itself as the Broad-Based Socio-Economic Empowerment Charter for the Mining and Minerals Industry, developed in terms of Section 100 of the Mineral Petroleum Resources Development Act, 2002 (Act No. 28 of 2002).

The Mining Charter (2018:10) further speaks of Meaning Economic Participation, which is defined as five key attributes, which are

- a) Clearly identifiable partners in the form of Historically Disadvantaged Persons, including women, as well as qualifying employees and host communities;*
- b) A percentage of unencumbered net value based upon the time graduation factor which has occurred to BEE shareholders;*
- c) A percentage of dividends declared, or other monetary distributions or trickle dividends paid to BEE shareholders, subject to the provisions of relevant legislation; and*
- d) BEE shareholders with full shareholder rights entitling them to full participation at annual general meetings, exercising of voting rights in all aspects, including but not limited to, trading and marketing of the commodity herein affected, and anything incidental thereto regardless of the legal form of the instrument used (Mining Charter, 2018:10).*

#### **6.1.2.4 Community**

Lastly, the Mining Charter (2010:iii) defines the term 'community' as a coherent, social group of persons with interest of rights in a particular area of land which the members have or exercise communally in terms of an agreement, custom or law.



The Mining Charter (2018:9) defines a ‘Host Community’ as a community within a local or metropolitan municipality adjacent to the mining area, as defined in the MPRDA.

## **6.2.2 Ownership**

The Mining Charter (2010:1) obligates mining companies to achieve a minimum of 26% ownership to enable meaningful economic participation of HDSA by 2014.

The newly approved Mining Charter (2018:13) stipulates that in order to give effect to meaningful economic participation, integration into the mainstream economy, and effective ownership of the country’s mineral resources by the historically disadvantaged persons, a mining right holder must comply with the following:

### **6.2.2.1 Existing Mining Rights**

1. *An existing mining right holder who has achieved a minimum of 26% BEE shareholding shall be recognised as compliant for the duration of the mining right.*
2. *An existing mining right holder who, at any stage during the existence of a mining right, achieved a minimum of 26% BEE shareholding, and whose BEE partner/s exited prior to the commencement of the Mining Charter 2018, shall be recognised as compliant for the duration of the mining right and such recognition will not be applicable upon renewal.*
3. *The recognition of continuing consequences shall include historical transactions concluded at holding company level, right mining level, on units of production, shares or assets including all historical BEE transactions which formed the basis upon which new order mining rights were granted.*
4. *The recognition of continuing consequences, in respect of an existing mining right, shall not be transferable and shall lapse upon transfer of such mining right or part thereof.*
5. *The recognition of continuing consequences shall not apply to an application for a new mining right or renewal of a mining right.*
6. *A renewal of an existing mining right shall be used to Mining Charter requirements applicable at the time that a mining right renewal application is lodged (Mining Charter, 2018:13).*

### **6.2.2.2 New Mining Rights**

In accordance with Section 2.1.3 of the Mining Charter (2018:14), a new mining right holder must have a minimum of 30% BEE shareholding, which shall include economic interest plus a corresponding percentage of voting rights per mining right or in the mining company which holds a mining right.

The Mining Charter (2018:13) further obligates that a new mining right is required to distribute the 30% BEE shareholding in this following manner:

1. *A minimum of 5% non-transferable carried interest to qualifying employees from effective date of a mining right.*
2. *A minimum of 5% non-transferable carried interest or a minimum 5% equity equivalent benefit as defined herein to host communities from the effective date of a mining right.*
3. *A mining right holder shall ensure that any reduction in shareholding of existing shareholders through the issue of new shares, shall not reduce qualifying employees carried interest and host communities' carried interest or equity equivalent benefit.*
4. *A minimum of 20% effective ownership in the form of shares to a BEE Entrepreneur, 5% of which must preferably be for women.*
5. *A mining right holder of the minimum 20% shares referred to in paragraph 4 shall not be diluted below 51% ownership and control by a BEE Entrepreneur (Mining Charter, 2018:13).*

BEE shareholding may be concluded at holding company level, mining right level, on units of production, shares or assets. However, where BEE shareholding is concluded at any level other than mining right level, the Flow-Through Principle will apply.

### **6.2.2.3 Equity Equivalent Benefit for Host Communities**

The Mining Charter (2018:15) further stipulates that the equity equivalent benefit referred to in Section 6.2.2.2 (New Mining Rights, bullet number 2) shall be administered as follows:

1. *5% equivalent of the issued share capital of the mining right holder, at no cost to a trust or similar vehicle set up for the benefit of the benefit of host communities,*

2. *The Trust or similar vehicle shall be established and administered in terms of applicable legislation for the duration of the mining right,*
3. *The Trust or similar vehicle shall comprise of representation from host communities (including Community-Based Organizations, Traditional Authorities, etc.) and mining companies.*
4. *A mining right holder must, in consultation with relevant municipalities, host communities, traditional authorities and affected stakeholders, identify host community development needs,*
5. *The Trust or similar vehicle shall be responsible for, amongst others, host community development Programme, fund distribution and governance of the equity benefit,*
6. *All administration cost, project management and consultation fees of the Trust or similar vehicle may not exceed 8% of the total budget,*
7. *An approved host community development Programme must be published in, at least, two languages commonly used within the host community (Mining Charter, 2018:15).*

A host community development programme approved under this element shall not replace SLP commitments as contemplated in Section 23 of the MPRDA.

### **6.2.3 Inclusive Procurement, Supplier and Enterprise Development**

The Mining Charter (2010:2) compels mining companies to procure a minimum of 40% of capital goods from BEE entities by 2014, ensure that multinational suppliers of capital goods annually contribute a minimum of 0.5% of annual income generated from local mining companies towards the socio-economic development of local communities from 2010, and procure 70% of services and 50% of consumer goods from BEE entities by 2014.

The Mining Charter (2018:17) stipulates that a mining right holder is required to enhance economic growth through the development or nurturing of small, medium and micro enterprises and suppliers of mining goods and services. In instances where a mining right holder procures goods and services of a contractor to undertake extraction or processing (crushing and concentration) of minerals on their behalf, such goods and services will be deemed to have been procured by the mining right holder. To achieve inclusive procurement, supplier and enterprise development, a mining right holder must identify goods and services

that will be required in its operations and ensure that its procurement policies adhere to the following criteria set out in the sections that follow.

#### **6.2.3.1 Mining Goods**

In accordance with Mining Charter (2018:18), a minimum of 70% of total goods procurement spend (excluding non-discretionary expenditure) must be on South African manufactured goods. The 70% shall be allocated as follows:

1. *21% to be spent on South African manufactured goods produced by a historically disadvantaged person owned and controlled company,*
2. *5% to be spent on South African manufactured goods produced by a woman or youth owned and controlled company, and*
3. *44% to be spent on South African manufactured goods produced by a BEE compliant company (Mining Charter, 2018:18).*

#### **6.2.3.2 Services**

As prescribed in Section 2.2.2 of the Mining Charter (2018:18), a minimum of 80% of the total spend on services (excluding non-discretionary expenditure) must be sourced from a South African-based company. The 80% shall be allocated as follows:

1. *50% must be spent on services supplied by a historically disadvantaged persons' owned and controlled company,*
2. *15% must be spent on services supplied by women owned and controlled companies,*
3. *5% must be spent on services supplied by youth, and*
4. *10% must be spent on services supplied by BEE compliant company (Mining Charter, 2018:18).*

These procurement targets must be complied with progressively within a period of five years, as outlined in the transitional arrangements.

A mining right holder must ensure that the terms and conditions offered to women and controlled companies, or youth, are not less favourable than those offered to other suppliers.

All reported procurement expenditure must be the actual expenditure incurred by a mining right holder.

#### **6.2.3.3 Verification of local content**

As obligated by the Mining Charter (2018:19), a mining right holder:

1. *Must procure goods in line with a standardised product identification coding system developed by the Department of Trade and Industry.*
2. *Shall provide proof of local content for mining goods in the form of certification from the South African Bureau of Standards (SABS) or any other entity designated by the Minister.*

#### **6.2.3.4 Enterprise and Supplier Development**

Section 2.2.4 of the Mining Charter (2018:19) further stipulates that:

1. *The purpose for implementing supplier and enterprise development is to strengthen local procurement, enhance the ease and cost competitiveness of sourcing mining goods and services and build South Africa's industrial base in critical sectors of production and value addition.*
2. *A mining right holder may invest in enterprise and supplier development against which it may offset its procurement element obligations as follows:*

##### ***Mining Goods***

1. *Up to 30% of the total procurement budget on mining goods (excluding non-discretionary) may offset against supplier development.*
2. *A mining right holder may develop suppliers through Original Equipment Manufacturers (OEMs) as prescribed in the Implementation Guidelines.*

##### ***Services***

1. *Up to 10% of the total procurement budget on services (excluding non-discretionary expenditure) may be offset against supplier and enterprise development.*

2. *Percentages referred to in Sections 6.2.3.1 and 6.2.3.2 must be implemented as follows:*
- a) Supplier and Enterprise Development must be invested in a historically disadvantaged persons' owned and controlled company with a turnover of less than R50 million per annum.*
  - b) Investment on Supplier Development may not be claimed as expenditure on Enterprise Development.*
  - c) There must be a written agreement between a mining right holder and the recipient Supplier or Enterprise being developed, and*
  - d) The contract between a mining right holder and the recipient supplier must be for a minimum of 5 years.*

#### **6.2.4 Human Resource Development (HRD)**

Chapter 2.5 of the Mining Charter (2010:3) sets clear targets for holders which should be achieved by 2014. The mining industry is obliged to invest a percentage of annual payroll (as per relevant legislation) in essential skills development activities reflective of the demographics, but excluding the mandatory skills levy. It must include support for South African-based research and development initiatives intended to develop solutions in exploring, mining, processing, technology efficiency (energy and water use in mining), beneficiation as well as environmental conservation and rehabilitation:

- Target for 2010 = 3%
- Target for 2011 = 3.5%
- Target for 2012 = 4%
- Target for 2013 = 4.5%
- Target for 2014 = 5%

Chapter 2.3 of the Mining Charter (2018:21) stipulates that HRD constitutes an integral part of competitiveness, transformation and sustainable growth. Since the mining industry is knowledge-based, the aim of the Mining Charter 2018 is to:

- produce a skilled, trained and diverse workforce to meet the demands of a modern industry,
- develop skills to enhance the productivity of the workforce and improve the employment prospects of historically disadvantaged persons, and
- develop entrepreneurial skills that improve people's livelihoods and create mining-led local and regional economic diversification.

In this regard, a mining right holder must invest a minimum of 5% of the leviable amount (excluding the statutory skills development levy) on essential skills development. The minimum 5% must be invested in the following manner:

1. Invest 5% of the leviable amount on essential skills development activities such as science, technology, engineering, mathematics skills, as well as artisans, internships, learnerships, apprentices, bursaries, literacy and numeracy skills for employees and non-employees (community members), graduate training programmes, research and development of solutions in exploration, mining processing, technology efficiency (energy and water use in mining), beneficiation as well as environmental conservation and rehabilitation.
2. Employees contemplated in paragraph 1 exclude directors and executives.
3. The skilling and research investment referred to in paragraph 1 must be apportioned in line with national or provincial demographics.

### **6.2.5 Employment Equity**

Chapter 2.4 of the Mining Charter (2010:3) stipulates that workplace diversity and equitable representation at all levels are catalysts for social cohesion, transformation and competitiveness of the mining industry. In order to create a conducive environment to ensure diversity and participation of HDSA at all decision making positions and core occupational categories in the mining industry, every mining company must achieve a minimum of 40% HDSA demographic representation at Executive Management (Board) level, Senior Management (EXCO) level, Core and Critical Skills, Middle Management and Junior Management by 2014. In addition, mining companies must identify and fast-track their existing talent pools to ensure high-level operational exposure in terms of career path programmes.

Chapter 2.4 of the Mining Charter (2018:22) stipulates that in order to create a conducive environment to ensure diversity as well as participation of HDSA at all decision making positions and core occupational categories in the mining and minerals industry, a mining right holder must employ a minimum threshold of Black persons which is reflective of the demographics of the country as follows:

**Board**

1. *A minimum of 50% historically disadvantaged persons which exercisable voting rights, proportionally represented in terms of provincial or national demographics, 20% of which must be women.*

**Executive Management**

1. *A minimum of 50% historically disadvantaged persons at the executive director level as a percentage of all executive directors proportionally represented in terms of provincial or national demographics, 25% of which must be women.*

**Senior Management**

1. *A minimum of 60% historically disadvantaged persons in senior management proportionally represented in terms of provincial or national demographics, 25% of which must be women.*

**Middle Management**

1. *A minimum of 60% historically disadvantaged persons in middle management proportionally represented in terms of provincial or national demographics, 25% of which must be women.*

**Junior Management**

1. *A minimum of 75% historically disadvantaged persons in junior management proportionally represented in terms of provincial or national demographics, 30% of which must be women.*

**Employees with Disabilities**

1. *A minimum of 1.5% employees with disabilities as a percentage of all employees reflective of national and/or provincial demographics.*



### **Core and Critical Skills**

1. *A mining right holder must ensure that a minimum of 60% historically disadvantaged persons are represented in the Holder's Core and Critical Skills by diversifying its existing pools. Core and Critical skills must include science, technology, engineering and mathematical skills representation across all organisational levels. To achieve this, a mining right holder must:*
  - 1.1 *Identify and implement its existing skills pool in line with the approved Social and Labour Plan.*
  - 1.2 *This implementation must be reflective of the demographics.*

### **6.2.6 Mine Community Development**

In line with the Mining Charter (2010:4), mining companies are obliged to invest in ethnographic community consultative and collaborative processes before the implementation or development of mining projects. Mining companies must further conduct an assessment to determine the developmental needs in collaboration with mining communities and identify projects within the needs analysis for their contribution to community development in line with IDPs, the cost of which should be proportionate to the size of the investment.

The Mining Charter (2018:24) obligates holders to meaningfully contribute towards the development of the mining community with a bias towards communities both in terms of impact and size, and keeping with the principles of the social license to operate.

1. *Therefore, a mining right holder must, in consultation with relevant municipalities, mine communities, traditional authorities and affected stakeholders, identify developmental priorities in mine communities. The identified developmental priorities must be contained in the prescribed and approved Social and Labour Plan of a mining right holder.*
2. *Mining right holders operating in the same area, may collaborate on identified projects to maximise the socio-economic developmental impact, in line with their approved Social and Labour Plans. Approved Social and Labour Plans must be published in English and a dominant language(s) commonly used within the mine community.*

3. *For the purpose of implementing the Social and Labour Plans and Mine Community Development projects, the term “Mine Community” refers to communities where mining takes place, major labour sending areas, adjacent communities within a local municipality, metropolitan municipality or district.*
4. *A mining right holder must implement 100% of Social and Labour Plan commitments in any given financial year. Any amendments/variation of Social and Labour Plan commitments, including the budget, shall be approved in terms of section 102 of the MPRDA and consulted with mine communities (Mining Charter, 2018:24).*

### **6.2.7 Housing and Living Conditions**

Mining Charter (2010:4) required mining license holders to implement measures to improve the standards of housing and living conditions for mineworkers as follows:

- Convert or upgrade hostels into family units by 2014.
- Attain the occupancy rate of one person per room by 2014.
- Facilitate homeownership option for all mine employees in consultation with organised labour by 2014.

Accordingly, Section 2.6 of the Mining Charter (2018:25) makes provision for human dignity and privacy of mine employees for enhancing productivity and expediting transformation in the mining industry in terms of housing and living conditions. In this regard, mining companies must improve the standard of housing and living conditions of mine employees, as stipulated in the Housing and Living Conditions Standards for Minerals Industry, developed in terms of Section 100 of the MPRDA. The Standards provide the following principles, amongst others:

#### **6.2.7.1 Principles of Housing Conditions**

- Decent standards of housing.
- Centrality of home ownership.
- Provision for social, physical and economic integrated human settlements.
- Secure tenure for mine employees in housing institutions.

### **6.2.7.2 Principles of Working Conditions**

- Proper health care services.
- Affordable, equitable and sustainable health systems.
- Balanced nutrition.

A mining right holder shall be required to submit a Housing and Living Conditions Plan to be approved by the Department, after consultation with organised labour and the Department of Human Settlement. The Housing and Living Conditions Standards shall be reviewed to provide clear targets and timelines for the implementation of the aforementioned housing and living conditions principles.

A mining right holder must comply with the Housing and Living Conditions Standards and ensure the maintenance of single units, family units and any other arrangement agreed to with employees, pending the finalisation of the Reviewed Housing and Living Conditions Standard.

## **6.3 PROPOSED STRATEGIES/REMEDIES ON CONFLICT RESOLUTION FOR BARBERTON MINES**

### **6.3.1 Definition of critical terms**

In relation to the different interpretation of the term ‘community’ by all spheres of government and the community, it will be relevant for Barberton Mines to align its definition of the term ‘host community’ as per the Mining Charter 2018.

The term ‘host community’, as prescribed in the Mining Charter (2018), will not just stimulate peace and a stable socio-economic environment between Barberton Mines and the Barberton community, it will also ensure that Barberton Mines remains unbiased towards the Barberton community in terms of employment and business opportunities available in the company.

In the past, the translation of the term ‘community’ was vague, leaving mining houses confused and communities frustrated.

### **6.3.2 Ownership**

The newly approved Mining Charter (2018) should be the centre of focus for Barberton Mines, as it not only addresses the BEE ownership, but also gives guidance on ESOPs as well as the 5% community equitable shares which should be managed through the community trusts.

Currently, Barberton Mines' employees are 5% shareholders through the ESOPs scheme; however, there is no satisfaction amongst employees since they (especially union leaders) are not involved in the day-to-day decision making of the business, and they have no voting rights. Though the Mining Charter (2018) is not very clear on such voting rights/decision-making issues, it will be of viable business interest for Barberton Mines to engage labour representation, at least on the company's financial reports.

This will further resolve the long-standing battle with the BMTT and its formation between Barberton Mines and the Barberton community.

Disbandment of BMTT, as demanded by the community through various community structures during community meetings, must be considered since its existence will no longer be lawful once the Community Trust comes into existence.

### **6.3.3 Inclusive Procurement, Supplier and Enterprise Development**

Having aligned itself (Barberton Mines) with the context of the term 'host community', Barberton Mines should be in a position to develop its local enterprises and suppliers with no hesitation. During the interview with Barberton Mines' representation, there was no enterprise and supplier development strategy or plan in place and the company responded that it was in the process of developing one.

The procurement policy of Barberton Mines should also remain loyal to the local content, to ensure transformation and unemployment relief in the area. Small businesses can assist in the fight against unemployment in the area, and the supply chain of Barberton Mines should play its role by tapping/linking local small businesses into its supply chain system.

#### **6.3.4 Employment Equity**

Barberton Mines, including all other mining operations, are obliged to adhere to the targets set out in the Mining Charter (2018). However, in relation to employment equity, the common outcry from the Barberton community is not on the management structures of Barberton Mines, but rather on the strategy used by Barberton Mines to recruit general workforce.

Both the Mining Charter of 2010 and 2018 left recruitment strategies entirely to mining operations since each operation has its own internal procedures. It will therefore be advisable for Barberton Mines to revise its recruitment procedures for the benefit of the local community.

#### **6.3.5 Human Resource Development (HRD)**

The Mining Charter (2018) sets out new targets under HRD, whereby 5% of the mining company's annual payroll is spent on the development of workers' skills, including communities.

It will thus be advisable for Barberton Mines to spend the prescribed 5% on skills development, and investigate the possibility of expanding its current scope on external bursaries.

#### **6.3.6 Mine Community Development**

In the currently executed Mining Charter (2010), mining companies are obliged to spend only 1% of the NPAT towards socio-economic development in mining communities/labour-sending areas.

The Mining Charter (2018) also obligates mining right holders to spend only 1% of the NPAT towards socio-economic development in host communities/labour-sending areas, however, the percentage should also be proportionate to the size of the investment in its approved SLPs.

#### **6.3.7 Housing and Living Conditions**

In Barberton Mines, hostels were successfully converted into family homes, and all required 2014 national targets were met, including home ownership options for mine employees,

whereby the general workforce residing outside Barberton Mines' family units are paid a monthly 'living out' allowance as approved by organised labour unions and Barberton Mines' management.

It is, however, not clear if the 'living out' allowance is a solution to the housing conditions of mine employees (general workforce), since the majority do not qualify for the government's RDP housing scheme, including housing loans from the commercial banks as a result of low remuneration in the mining sector.

The Mining Charter (2018) makes provision for decent standards of housing and home ownership. Barberton Mines has to adhere to this simple principle and facilitate home ownership for its employees, especially the general workforce.

#### **6.4 CONCLUSION**

The chapter gave a brief overview of both Mining Charter (2010) and Mining Charter (2018). The Mining Charter (2018) is a solution to the current tension between Barberton Mines and the Barberton community. Critical issues raised by community members during the fieldwork (interviews) were addressed, and a clear definition of the term 'community' was presented, which is now referred to as a 'host community'.

Moreover, the community's biggest outcry on the formation of BMTT is addressed in the newly revised Mining Charter (2018), where mining companies are compelled to establish community trusts in consultation with relevant community stakeholders, including local traditional councils.

The Mining Charter (2018) favours mining communities in almost all aspects/elements, including procurement and enterprise development.

## **CHAPTER 7**

### **CONCLUSION AND RECOMMENDATIONS**

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#### **7.1 INTRODUCTION**

This concluding chapter briefly restates the motivation of the study and presents the detailed analysis of the research objectives before delving deeper into conclusions and recommendations based on the information acquired from the theoretical literature review, and the findings of the survey and qualitative interviews.

#### **7.2 STUDY MOTIVATION**

The tension between Barberton Mines and the Barberton community is a result of the so-called failure by Barberton Mines to employ local people in non-skilled positions. The community is convinced that Barberton Mines imports non-skilled labourers from the neighbouring villages. This has resulted in production and profit losses for Barberton Mines due to several illegal community protests – communities adjacent to Barberton Mines' operations resort to blocking all roads leading to the company. Such behaviour does not only affect shareholders, it also affects employees as the 'No Work No Pay' principle applies to all employees who fail to report to work; be it as a result of a community's or employees' protest. The losses also affect the community itself in terms of its 1% NPAT for community development programmes – fewer profits means less community development spend.

Thus, the motive of the study was to seek bankable solutions to the severe conflict that triggered the rebellious behaviour of the Barberton community against Barberton Mines.

#### **7.3 SUMMARY OF RESEARCH OBJECTIVES**

The primary objective of this research was to get an in-depth understanding of the Barberton community's anger towards Barberton Mines. Such actions result in production and profit losses for the Barberton Mines. The fear is that if concerned parties and community leaders fail to stop this action, Barberton Mines may be forced to retrench its workers or close down.

The secondary objectives were:

1. To understand the root cause of the Barberton community's anger against Barberton Mines.
2. To establish measures that can be taken to resolve the conflict between Barberton Mines and the Barberton community.
3. To identify the role of local government and other key role players.
4. To assess the role of misinterpretation of mining legislation as a cause of conflict.
5. To identify key obstacles to the application of the Mining Charter.
6. To evaluate the contribution of the Mining Charter to the resolution of conflicts.
7. To proffer remedies to the conflict based on research.

The mentioned research objectives were addressed during the survey and qualitative structured interviews with key informants and focus groups.

#### **7.4 RESEARCH FINDINGS AND CONCLUSION**

In respect of the strategic objectives of the research, research questions cascading from the research objectives were:

1. What are the causes of conflict between the community and Barberton Mines?
2. How can it (conflicts) be resolved?
3. What is the role of differing interpretations of the mining legislation to the conflict?
4. How is the Mining Charter used as a means of conflict resolution?
5. What does this research offer as a remedy to the conflict?

##### **7.4.1 Theoretical Literature Findings**

A comprehensive theoretical framework on conflict and conflict management reveals that poorly managed conflict, especially in a work environment, is likely to escalate to external influences and become chaotic.

It is crucial to deal with conflict in organisations. As mentioned by Lipsky and Avgar (2010:4), poorly handled conflicts are likely to result in sour relationships, resentment, ill health, low



productivity and simmering problems. Muntingh (2011:121) also states that conflict leads to the disruption of mining operations, damage to mining equipment and infrastructure, which, subsequently, has an adverse impact on the profitability of the operation and the continuation of such operations.

#### **7.4.1.1 Conflict Management**

Afzalur-Rahim (2001) states that many organisations require conflict management rather than conflict resolution. Effective strategies to minimise dysfunctional conflict are necessary and enhance the constructive functions of conflict in order to improve learning and effectiveness in an organisation.

Afzalur-Rahim (2001) also identified five conflict management styles, of which the integrating style may be a solution to Barberton Mines' endless problem with the community and its employees. According to Afzalur-Rahim (2001:80), integrating conflict management is useful for effectively dealing with complex problems; when one party alone cannot solve the problem. It is useful in utilising the skills and other resources possessed by different parties to define or redefine a problem and to formulate effective alternative solutions for it and/or when commitment is needed from parties for effective implementation of a solution.

Integrating conflict management may work for Barberton Mines since it gives recognition to all conflicted parties to work together, redefine the problem and find amicable solutions together.

The conflict between Barberton Mines and the community started internally, between the employer and employee, and later gained momentum externally. During an interview with almost all leaders of community structures, it came out very sharply that Barberton Mines' management needs to build a very strong relationship with employees, especially the NUM committee. They need to recognise employees' rights and treat them fairly.

#### **7.4.1.2 Criteria for Conflict Management**

Afzalur-Rahim (2001) also prescribes criteria for conflict management, especially in awkward environments such as Barberton Mines. The criteria include

- **Organisational learning and effectiveness – whereby all key stakeholders are channelled into one innovative thinking and projected goal.**

Barberton Mines' employees, especially the general workforce, are not brought up to speed with the company's vision and long-term goals. It is high time that the company involves all stakeholders and enhances critical and innovative thinking, which may assist in solving the problem.

- **Needs for stakeholders – this is an important criterion for conflict management.**

Employees and communities are important stakeholders for Barberton Mines' progress and sustainable growth; however, the two key stakeholders feel taken advantage of. A first practical example is the strategic division of employees by Barberton Mines' management in terms of the differing salary scale amongst employees in the same position or work scale/level. A second practical example is the strategic division of the Barberton community, also by Barberton Mines' management, whereby communities adjacent (less than 2km) to Barberton Mines' operations are treated better and with respect, as compared to other communities residing 3km away. Such behaviour has created a negative impression of the adjacent community members since they now believe the Sheba Mine is for Sheba Siding and surrounding villages, New Consort Mine is for Noordkaap and surrounding villages, and Fairview Mine is for Sinqobile Township and surrounding villages.

- **Ethics – quality and wise leadership must behave ethically and should easily adapt to environmental and social changes.**

In the case of Barberton Mines, the community's top three frustrations are: i) the recruitment processes of general labourers at Barberton Mines; ii) the Barberton Mines' supply chain processes that benefit the White businesses; and iii) obviously the disbandment of the BMTT. Barberton Mines has to adapt and change its policies in order to accommodate the needs of the community it serves.

#### **7.4.1.3 Conflict Management Processes**

Afzalur-Rahim (2001) speaks of processes for conflict management, of which all key stakeholders should undertake:

1. Diagnosis – this is the first step in problem solving. All stakeholders should recognise and acknowledge the stakes should the problem persist, e.g. company loses profits, community loses income in a form of job losses and poverty escalates.
2. Intervention – immediately after a problem is diagnosed, there should be an immediate intervention.

However, looking at the sensitivity and emotions from both angles (Barberton Mine's management and the community), no party is willing to bow down. It is in that regard that a Third Party may be brought into the picture, to intervene and facilitate peace talks/discussion.

3. Processes – the most basic process of conflict management in an organisation is transformational leadership and organisational culture (Afzalur-Rahim, 2001). Transformational leadership encourages subordinates and stakeholders to engage in critical and innovative thinking and organisational culture supports experimentation, risk-taking, openness, diverse viewpoints, sharing of information and knowledge. This automatically encourages substantive or task-related conflict and discourages affective or emotional conflict.

Management at Barberton Mines should transform and introduce a stakeholder-inclusive environmental culture which automatically envisages stakeholder engagement and subscription to the company's long-term vision.

4. Structural – as advocated by Afzalur-Rahim (2001), this is an intervention attempt that seeks to improve the organisational effectiveness by changing the organisation's structural design characteristics, including differentiation and integration mechanism, hierarchy, procedures and the reward system.

According to the one-on-one interview held with the workers' union representative, a lot is wrong in Barberton Mines, especially with the company's hierarchy and reward systems. For example, the ESOPs programme that none of the NUM Branch leadership seem to understand, except for management who is directly in control of both financial and non-financial decisions.

#### **7.4.1.4 Resources for Managing Conflicts in Public-Private Partnership**

The reputation of Barberton Mines is at risk. It is stated by Davis and Franks (2014:2) that unsettled disputes with local communities can result in a range of reputational, financial and liability risks. It may even hamper access to business partners and financing, as well as the company's ability to attract and retain skilled workers.

The recruitment sensitivity of low-skilled workers at Barberton Mines has reached a boiling point whereby even local political leadership is failing to control it. While communities resorted to controlling and taking over the recruitment process of Barberton Mines, the company keeps losing qualified and skilled labourers. The HR department could not retain two of its skilled labourers as a result of endless community allegations.

Davis and Franks (2014) advise on three resources for managing conflicts in public/private partnership, and they are: a) Establish grievance mechanism; b) Neutral/third-party disputes; and c) Sectoral and regional approaches.

Barberton Mines' management cannot keep ignoring the community's allegations against its HR and procurement departments. In that regard, the grievance redress mechanism may be a solution for Barberton Mines, whereby communities have an opportunity to blow the whistle in cases of irregular recruitment and other related processes. Barberton Mines may also invest in neutral/third-party disputes, to facilitate peace talks between both parties.

#### **7.4.2 Conclusions: Barberton Mines V/S Barberton Community**

Barberton Mines' Business Development/Mining Department is optimistic that Barberton Mines has a bright future with a long-term lifespan, and therefore the company needs to find amicable ways of resolving conflict with the community.

Unemployment and poverty are problematic in Barberton, resulting in uncontrolled violent protest against Barberton Mines.

Barberton Mines remains the battleground for political power amongst local emerging and steady politicians, including labour representative unions. Apart from attracting unemployed

youth from neighbouring towns into the area, Barberton Mines is also attracting foreign nationals for other activities such as illegal mining.

An analysis of the results of the data collected through surveys and qualitative interviews follow.

#### **7.4.2.1 Causes of Conflicts**

The survey and qualitative results reveal the top six causes of conflict between Barberton Mines and the community are:

- i) Unfair recruitment processes;
- ii) Unfair procurement processes;
- iii) Barberton Mines Transformation Trust;
- iv) Ownership and Royalties;
- v) Technical Training Centre; and
- vi) Human Resource Development.

The interview results further reveal that the relationship between Barberton Mines' management and labour representative union (NUM) is very poor.

Barberton Mines ignored allegations of unfair recruitment processes for far too long. The company also failed to put strict measures in place on implementing and monitoring its own recruitment procedures and plans, and as a result, the most important function of the HR department ended up in the community's hands; including those of Ward Councillors.

Barberton Mines also failed to pay attention to the local business community's outcry on its borderless supply chain processes that fail to cater for the needs of the local HDSA but are able to provide opportunities and enrich White BEE-compliant companies.

The BMTT is another community concern that needs urgent attention. Exactly 92% of respondents want BMTT disbanded due to non-consultation with relevant community structures during its establishment period.

In respect of the company's ownership, Pan African Resources PLC (major shareholder of Barberton Mines) is heavily criticised for not recognising local HDSA for BEE shareholding partnership. In the past, Shanduka Group owned the prescribed 26% BEE shareholding, until early 2017. According to Barberton Mines' Ownership Summary Report (2017), the relationship between Pan African Resources PLC and Shanduka Group ended in June 2017, shortly after Shanduka Group merged with Phembani Group.

After the termination of the relationship between Pan African Resources PLC and Shanduka Gold, Concrete Rose (Pty) Ltd (a Johannesburg-based BEE-compliant company) partnered with Pan Africa Resources PLC as its BEE shareholding partner. It is now a 21% BEE shareholder of Barberton Mines.

The local traditional councils are also of the view that Barberton Mines should at least pay them a fee in the form of royalties as they are the official landowners.

The community expressed a need for Barberton Mines to facilitate talks with the local TVET College to introduce mining engineering and related artisanal qualifications, and finance such programmes. The community also envisages such initiatives as a future talent pool for Barberton Mines' skilled labour.

Lastly, the community is of the view that the external bursary programme of Barberton Mines should be reviewed to accommodate other fields of study since not every young person has a dream of working in the mining sector.

#### **7.4.2.2 Mining Charter 2018**

The Mining Charter (2018) is a solution to mining communities, especially in Barberton. Though the mining regulator is known for its failure to monitor compliance within the industry, the Charter gives hope, more clarity and mandate on when, how and what needs to happen on the ground.

Having had in-depth knowledge of the conflict between Barberton Mines and the community, the Mining Charter (2018) is a solution for both parties.

### **1. Employment Opportunities**

Barberton Mines is criticised for preferring and opting to import non-skilled labourers into Barberton while a large number of Barbertonians remain unemployed and poor. It should be noted that Barberton Mines is criticised for importing non-skilled labourers from its labour-sending areas such as Matsulu and Shongwe Mission.

Accordingly, the Mining Charter (2018:9) gives guidance on the percentage of HDSA representatives from board level up to core and critical skills level, including accommodation and recognition of employees with disabilities.

The Mining Charter (2018:9) further gives a clear definition of the term ‘host communities’ whereby mining companies are obliged to strictly focus on adjacent mining communities and labour-sending areas.

### **2. Procurement and Enterprise Development**

The level of hate and anger by the local business community towards Barberton Mines’ procurement department is shocking. The Mining Charter (2018:17) obligates mining companies to achieve a certain percentage on procuring mining goods and services, of which a portion of the reserved percentage is strictly ring-fenced for HDSA-owned and controlled companies.

By virtue of right, Barberton Mines is now compelled by the principles of the Mining Charter (2018) and also acknowledge local/host communities in all elements of the Mining Charter, including supplier and enterprise development of local HDSA companies.

### **3. Barberton Mines Transformation Trust (BMTT)**

The community’s call for the disbandment of the BMTT came at the right time. The Mining Charter (2018) makes provision for Community Trusts and funding thereof. The Charter also clearly stipulates key stakeholders that should form part of the Trust, including the role of local traditional leadership and local government. Thus, Barberton Mines has no power in appointing its own preferred community representatives into the Trust.

#### **4. Ownership and Royalties**

In respect of ownership, the Mining Charter (2018:13) allocates 5% shareholding ownership to host communities in the form of Community Trusts. This serves as long-awaited news, especially for the Barberton community and the traditional leadership.

Issues of royalties and its governance are MPRDA (2002) obligations and therefore Barberton Mines has to comply by the principles of the Act. Failure to comply has its own implications, of which Barberton Mines and the community are aware.

#### **5. Technical Training College**

In line with the 5% shareholding ownership and powers given to host communities through Community Trusts, this vehicle (Community Trust) can now use its delegated powers to engage the local TVET and even finance the proposed mining engineering and related skills hub.

#### **6. Human Resource Development (HRD)**

The Mining Charter (2018) is restricting the Mining Sector to only develop skills for the mining industry, and the three aims of HRD are clearly stipulated:

- i. Produce a skilled, trained and diverse workforce to meet the demands of a modern industry,
- ii. develop skills to enhance productivity of the workforce and improve the employment prospects of HDSA, and
- iii. develop entrepreneurial skills that improve people's livelihoods and create mining-led local and regional economic diversification.

However, it does not mean that the Community Trusts cannot execute such initiatives since its mandate is to implement community-driven projects and programmes.

### **7.5 RECOMMENDATIONS**

In this section, recommendations are made in response to the results of both survey and qualitative findings, including the newly approved Mining Charter (2018). There are also suggestions for future research.



### **7.5.1 Barberton Mines' Recruitment Procedures**

Barberton Mines' failure to execute and monitor recruitment, especially in terms of general labour, is a major contributing factor to the chaotic conflict between the two parties.

The dishonest and unmonitored recruitment system only favoured those with money or livestock to buy their way into the mine and secure employment. Poor community members who could not afford such bribes found themselves vulnerable and frustrated. In such scenarios, you always find young people organising themselves to fight; this is the case in Barberton which led to the birth of Umjindi Community Forum, which fought (through illegal community protests) corrupt recruitment systems of Barberton Mines.

While in the space of community protests, the local political leadership saw a gap and bargained to take over recruitment, and surprisingly, Barberton Mines' management agreed. This made things worse because those not politically aligned to the ruling party and local Councillors found themselves in the very same position of vulnerability and being frustrated. It is in that regard that it is recommended that Barberton Mines' HR department reviews its recruitment policy in consultation with the recognised community structures and labour unions, and thereafter reclaim this function.

Barberton Mines has to find stricter ways of dealing with the corrupt recruitment system and officials. One of the many ways for Barberton Mines to fight the corrupt recruitment system is to establish a Grievance Redress Mechanism. As defined by Davis and Franks (2014:4), the Grievance Redress Mechanism is a process set up by companies as a means for local stakeholders to report or seek to resolve any grievance related to a project. Such processes may limit corruption within the HR department. It may also be important for Barberton Mines to protect both the whistleblower and accused by means of properly investigating processes prior to judgment.

Barberton Mines may also consider following the principles of the Deliberative Participation Method. This method, as explained by Nelischer (2016), allows all players to participate, share opinions and values, present reasonable arguments and bring solutions for both parties. This method can also work because it targets small groups (very limited participants). The Deliberative Participation Method will also allow the facilitator an opportunity to identify

(through public selection processes) possible participation within the geographical and political community.

In conclusion, the unforeseen accident (collapse of Lily Mine) that resulted in the shutdown of Lily Mine and Barbrook Mines under Vantage Goldfields also puts a greater burden on Barberton Mines. Former employees of Vantage Goldfields are part of the unemployed statistics in search of employment opportunities at Barberton Mines. In that regard, Barberton Mines has to find solutions in respect of engagements in the possible reopening of Lily Mine and Barbrook Mine.

### **7.5.2 Barberton Mines' Procurement and Enterprise Development**

The truth of the matter is, and as per the findings of the qualitative results from both community structures and Barberton Mines, the allegations levelled against Barberton Mines on its failure to develop local enterprises and suppliers, and developing a preferential procurement policy that seeks to develop the 'host communities' are true.

Barberton Mines could not prove that any top ten local HDSA companies were developed and secured long-term agreements with themselves (Barberton Mines). The majority of sustainable suppliers with long-term agreements are White-owned BEE-compliant companies, of which the majority are based in Johannesburg and other areas.

It is therefore recommended that, in line with qualitative interviews with the representatives from the DMR, Barberton Mines should never be perceived as a promoter of tribalism in Barberton. However, the emphasis is on the development of host communities, which solely presides under the local and district municipalities, including labour-sending areas.

Barberton Mines must recognise local HDSA emerging businesses through enterprise and supplier development, incubation and preferential treatment. The procurement policy of Barberton Mines has to be reviewed, properly consulted with local government, local business structures and be executed as a matter of urgency, with clear action plans, timelines and finances for enterprise development and incubation programmes.

### **7.5.3 Barberton Mines Transformation Trust (BMTT)**

The community have spoken; the Mining Charter (2018) gives clear guidelines on the formation of Community Trusts and funding thereof.

In the case of the Barberton community and the mine, the vehicle in the form of BMTT is already in place; its Trust Deed is not concrete but can be amended to accommodate the necessary changes as mandated by the Mining Charter of 2018.

It is therefore recommended that the Trust Deed of the BMTT be amended rather than disbanded. Barberton Mines has to champion this process by consulting necessary community structures. Once assessment and amendment processes are concluded, the BMTT can be converted into a Community Trust and funded accordingly.

It is further recommended that the other two local mining companies (Vantage Goldfields: Lily Mine & Barbrook Mine and Galaxy Gold: Agnes Mine) be brought in for active participation and funding.

### **7.5.4 Ownership and Royalties**

The recent transition of Pan African Resources' BEE shareholding from Shanduka Group to Concrete Rose (Pty) Ltd proves beyond a doubt that Pan African Resource continues to ignore the local community.

The local HDSA business structures asked Barberton Mines for recognition in all levels of business opportunities, including shareholding, on numerous occasions; these pleas all fell on deaf ears.

Apart from the local community owning 5% shares in the form of the Community Trust and qualifying employees owning 5% through ESOPs, Pan African Resources will have to review its ownership structure in accordance with the Mining Charter (2018).

Barberton Mines is in a process of renewing its mining rights, which expire in January 2020. It is in that regard that it is recommended that Barberton Mines/Pan African Resources PLC

considers its relationship with the Johannesburg-based BEE-compliant company, Concrete Rose (Pty) Ltd and opt for a partnership with a 100% HDSA-owned company within the host community.

In relation to royalties, local traditional councils will have to oblige and respect the principles and requirements of the MPRDA (2002). The Community Trust is a vehicle that can actually deal with local traditional councils' requirements and financial recognition.

#### **7.5.5 Inter-relationship: Barberton Mines Management and Employees**

The tense relationship between the labour representative union (NUM) and the HR department, which led to the dismissal of the entire top structure of NUM's Barberton Branch in June 2018, is one of the contributory elements to the endless conflict between the community and Barberton Mines.

Employees are part of the community and if/when internal conflicts in the workplace are not properly addressed or resolved internally, chances of escalating to outside/communities are very high.

It is in that regard, and as per the findings of the literature review on conflict management, that it is recommended that Barberton Mines' management must acknowledge the conflict (that they are part of the problem) and deal with it. There are many ways of dealing with conflict in the workplace, and as identified by Afzalur-Rahim (2001:80), the Integrating Conflict Management Style is the recommended method and a solution to the tension between the two parties. This conflict management style is

*useful for effectively dealing with complex problems – when on party alone cannot solve the problem – and it is useful in utilizing the skills and other resources processed by different parties to define or redefine a problem and to formulate effective alternative solutions for it and/or when commitment is needed from parties for effective implementation of a solution (Afzalur-Rahim, 2001:80).*

Barberton Mines' management needs to understand that a happy worker is a productive worker. They should work with labour representative structures, especially NUM, to the benefit and sustainable business growth of the company.

## **7.6 FUTURE RESEARCH**

There is a need to undertake future research in the Barberton mining space, subsequent to the higher influx of unemployed non-skilled youth into Barberton. Out of the 250 respondents, only 28% (70) was born in Barberton and the rest came in search of employment and business opportunities, be it legal or illegal.

It should further be noted that illegal mining is also rife in the area, attracting both young males and females to settle in Barberton.

## **7.7 CONCLUSION**

This final chapter gave a brief study motivation and a glimpse of research objectives. It was thoroughly assessed whether or not the objectives were met.

The chapter further presented in-depth conclusions of the research findings from the theoretical framework, qualitative and survey results.

Lastly, final recommendations were made based on the qualitative survey and the Mining Charter's (2018) results.

It is further recommended that future research should be undertaken, especially in the Barberton mining space, focusing on issues that attract non-skilled youth to the area.

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## APPENDIX A: INFORMED CONSENT FORM

Thank you for agreeing to participate in this study. I, **Fortunate Nomxolisi Ngomane**, am a student researcher enrolled for Master of Art (MA) in Development Studies at the University of South Africa. This form details the purpose of this study, a description of the involvement required and your rights as a participant.

### **Title of Research:**

BARBERTON COMMUNITIES AGAINST BARBERTON MINES (PTY) LTD: SOME CRITICAL ISSUES AND EVALUATIONS
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### **Research Objectives:**

<p>The primary objective of this explanatory research is to get an in-depth understanding of the Barberton community's anger towards Barberton Mines. Such actions result in production and profit losses for the Barberton Mines. The fear is that if community leaders fail to stop this action, Barberton Mines may be forced to retrench or close down.</p>
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It is in that regard that this research seeks to;

- h) To understand the root cause of the Barberton community's anger against Barberton Mines,
- i) To establish the measures that can be taken to resolve the problem between Barberton Mines and the Barberton community,
- j) To assess the role of misinterpretation of mining legislation as a cause of conflict,
- k) To evaluate the contribution of the Mining Charter to the resolution of conflicts, and
- l) To proffer remedies to the conflict based on research.

The key research questions cascading from these key research objectives are as follows:

- f) What are the causes of conflict between the community and Barberton Mines?
- g) How can they (conflicts) be resolved?
- h) What is the role of differing interpretations of the mining legislation to the conflict?
- i) How use is the Mining Charter as a means of conflict resolution?
- j) What does this research offer as a remedy to the conflict?

**Reason for participant(s) involvement in the study and procedures:**

Your participation is crucial for this research as it will assist this case study to meet its objectives and proffer remedies to the long on-going battle between the community and Barberton Mines.

Moreover, your participation in the research is voluntary and will take 45 minutes to complete. In this study, you will be asked to answer questions about your own interpretation and understanding of the causes of conflict between the community and Barberton Mines, how they (conflicts) can be resolved, your understanding of the mining legislation vis-à-vis Barberton Mines' compliance report, etc.

Your name will not be recorded in to protect your identity. You may pass on any question that makes you feel uncomfortable. At any time you may notify the researcher that you would like to stop your participation in the study. There is no penalty for discontinuing participation.

**Risks and/or Discomforts:**

In a case where adverse events occur, the session will be temporarily suspended, until such time all participants are ready to resume.

In a case of injury or harm to participants, it is the researcher's responsibility to ensure that the injured participant is rushed to the nearby public clinic for medical treatment.

**Benefits:**

You may find the learning experience enjoyable. Secondly, the outcomes of the study will promote peace and unity between Barberton Mines and the community.

**Confidentiality:**

Your name and other identity information will be kept in strict confidence. All individual results will be reported as group results. The information obtained in this study may be

published in scientific journals or presented at conferences and/or meetings pertinent to the area. The individual identifying information will be removed and replaced with a numeric identifier that only the investigator will have access to. The researcher will not share your individual responses with anyone that the research supervisor.

**Period for which records relating to the participant and group discussions will be kept:**

Records of individuals and groups discussions will be kept during the course of the research. On completion of the research, all information / records will be aborted.

**Compensation:**

There will be no compensation for participating in this research

**Participant's name and Surname/Focus Group:**

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**Signature of Participant/Focus Group:** \_\_\_\_\_

**Name of the**

**Researcher:** Miss Fortunate Nomxolisi Ngomane.

## **APPENDIX B: QUESTIONNAIRE: DEPARTMENT OF MINERAL RESOURCES**

Dear Sir/Ma'am,

### **Request to participate in my research**

I am Fortunate Nomxolisi Ngomane. I am a Master's student at the University of South Africa in the Department of Development Studies. My research is aimed at getting an in-depth understanding of the Barberton community's anger against Barberton Mines, leading to uncontrolled blockages of the R38 road leading to Fairview Mine, resulting in production and profits losses and to find ways and means to resolving the conflict.

Department of Mineral Resources (DMR) is crucial to the research as a key player and sole driver/regulator of mining sector and its policies. DMR is one relevant stakeholder that can assist the research in thorough assessment on the 'misinterpretation' of mining legislation as a cause of conflict.

This study is conducted for academic purposes only and all questions are presented with an aim of finding solutions to the causes of conflict between the Barberton community and Barberton Mines.

### **Interview questionnaire for Department of Mineral Resources on Mining legislation.**

<b>Date</b>	
<b>Department</b>	
<b>Name of Respondent</b>	
<b>Position</b>	



### Personal characteristics of interviewee(s)

Gender: [Male] [Female]

Age: [Below 35] [Above 35]

Occupation level: [junior] [middle] [senior] [executive]

Experience: [0-5 yrs] [5-10 yrs] [10 yrs and above]

1. The objectives of the MPRDA and the 2010 Mining Charter are clearly stipulated in both legislative documents. What then do you think contributes to endless violent community protests in mining communities?

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2. What systems are currently in place to ensure compliance from Mining Companies?

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3. How regularly does DMR monitor the Mining Charter national compliance targets?

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4. Is there any system or communication method in place to provide necessary feedback on mining companies' performance targets to mining communities? Please support reasons for your answer.

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5. Are there any structured awareness Programmes by DMR, targeting mining communities? Please support reasons for your answer.

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6. What youth development/empowerment Programmes does DMR have in place?

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7. Are these youth empowerment Programmes linked to each (Social and Labour Plans) SLPs of mining operations?

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8. What systems are in place to obligate mining companies to link DMRs youth empowerment initiatives into their SLPs?

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9. Small-scale mining is one of the locally identified youth empowerment initiative to fight poverty and youth unemployment in mining communities, is there any strategy within DMR to resuscitate old dormant mines and fast-tracking this initiative?

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10. The term ‘local community’ is defined in many different ways. DMR defines the term as a South Africa, provincial government defines the term as communities within the province, district municipalities defines the term within the district municipal boundary, local municipality interprets the term within its municipal boundary. Communities adjacent to mining operations interprets the term differently, citing that ‘local community’ means them residing within the 4kms radius of the mining operation. The main burning question from Barberton Mines is who is the ‘local community’? Please state reasons for your answer.

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11. Follow-up question on local community, what then does Barberton Mines do with labour sending areas, especially areas outside the municipality’s and district’s boundary?

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12. What advice can you give to Barberton Mines regarding these different interpretations of the term ‘local community’?

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13. What do you think of Barberton Mines’ implementation of the 2009 and 2015 Social and Labour Plan?

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14. Are you satisfied with its (Barberton Mines) compliance achievement? Are there areas of improvement?

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## APPENDIX C: QUESTIONNAIRE: ONE ON ONE INTERVIEWS & FOCUS GROUPS

### **BACKGROUND**

Dear Sir/Ma'am,

#### **Request to participate in my research**

I am Fortunate Nomxolisi Ngomane. I am a Master's student at the University of South Africa in the Department of Development Studies. My research is aimed at getting an in-depth understanding of the Barberton community's anger against Barberton Mines, leading to uncontrolled blockages of the R38 road leading to Fairview Mine, resulting in production and profits losses and to find ways and means to resolving the conflict.

You are crucial to the research as a key player in sustainable mining in Barberton. Members of the community are relevant stakeholders that can assist the research in thorough assessment of the as a cause of conflict between Barberton Mines and the Barberton community.

This study is conducted for academic purposes only and all questions are presented with an aim of finding solutions to the causes of conflict between the Barberton community and Barberton Mines.

### **Instructions**

The document is divided into five sections as follows:

<b>Section</b>	<b>Description</b>
Section 1	Biographical details
Section A	Perceptions on Mining Sector
Section B	Conflict Resolution
Section C	Mining Legislation
Section D	Mandate of the Mining Charter
Section E	Remedies for the conflict

**Thank you for your participation, your input is highly valued**

**SECTION 1: BIOGRAPHICAL DETAILS**

1. Please indicate your age

20-25	26-30	31-35	36 and above

2. Please indicate your gender

Male	Female

3. Please indicate your home language

SiSwati	English	Afrikaans	Zulu	Pedi	Xitsonga	Other

If other, please specify \_\_\_\_\_

4. Please indicate your highest educational level

Post Graduate degree	
Degree or Diploma	
Post matric certificate	
Grade 12 (Matric)	
High school (No Matric)	
Primary school	
No schooling	

5. Please indicate your population group

African	Indian	White	Coloured	Other

If other, please specify \_\_\_\_\_

6. Please indicate your employment status			
Employed	Unemployed	Self-employed	
If self-employed, please indicate for how long			
0-2 years	3-5 years	6 years +	
7. How long have you been residing in Barberton?			
Since birth	0-5 years	6-10 years	10 year +

**THIS IS AN OPEN ENDED DISCUSSION.**

**A. The Barberton Community versus Barberton Mines:**

A1. What do you understand about the mining sector in general?

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A2. What do you understand about the mining sector in and around Barberton?

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A3. Let's talk about Barberton Mines, specifically Sheba Mine, New Consort Mine and Fairview Mine. What is your perception about it in terms of community beneficiation?

A4. There are other mining companies in Barberton, Vintage Goldfields (Barbrook and Lily Mines) and as well as Galaxy Gold (Agnes Gold Mine). What is your perception about them in terms of community beneficiation?

A5. Can Barberton Mines learn anything in terms of beneficiation and community development from the other two mining companies as mentioned above?

[Yes]            [No]

Please justify your response – do you perhaps have a reason for your response above?

**B. Measures to resolve the problem between Barberton Mines and the community:**

B1. There seem to be a not so good relationship between Barberton Mines and the community, what do you think triggered such?



B2. What do you think Barberton Mines should do to improve the relationship with the community?

B3. Barberton Mines had been always accused of empowering non-local people, both in business and employment opportunities. What is your perception on that in the current moment?

B4. In Mining Indaba held in Barberton during December 2016, the community took a resolution that local Ward Councillors should oversee the recruitment processes of Barberton Mines for low skilled personnel. Are you satisfied with that process?

[Yes]

[No]

Please justify your response – do you perhaps have a reason for your response above?

B5. Procurement process of Barberton Mines is another element that once brought production at Barberton Mines on standstill after the local business forums blocked the road leading to Fairview Mine. Do you think Barberton Mines’ procurement procedures are biased towards the local business community?

[Yes]            [No]

Please justify your response – do you perhaps have a reason for your response above?

B6. What do you think Barberton Mines should do in order for the local business community to benefit from its procurement processes?

B7. The local business community requested that the procurement department of Barberton Mines be also managed by Ward Councillors. Do you think that is fair on Barberton Mines?

[Yes]            [No]

Please justify your response – do you perhaps have a reason for your response above?

**C. Misinterpretation of Mining legislation:**

C1. What is your understanding of the Mining Charter?

C2. The term “local community” is defined in many different ways. May I ask that you define this term (local community) for me, please?

C3. What is your understanding of this other term “beneficiation”?

C4. What do you think of Barberton Mines’ involvement in the community, especially in the role they play in community development?

C5. Are you satisfied with their (Barberton Mines) work in developing the community?

[Yes]

[No]

Please justify your response – do you perhaps have a reason for your response above?

**D. Contributions of the Mining Charter to the resolution of the conflict:**

D1. The Mining Charter is a legislative framework/agenda of government and the Department of Mineral Resources (DMR) is the custodian of this Charter. Do you think Barberton Mines has powers to amend anything (e.g. terms and interpretations) written in Charter?

[Yes]

[No]

Please justify your response – do you perhaps have a reason for your response above?

D2. Speaking of the Mining Charter, Barberton Mines is also obliged to develop its labour sending areas such as Shongwe Mission, Matsulu, KaNyamazane and many more. What is your take on that – Barberton Mines develop these communities where some of its labour resides?

D3. Do you understand that Barberton Mines need to protect its Mining Rights and License by all means, and as per the legislative requirement of government, Barberton Mines is obliged to also look after its labour sending areas?

[Yes]            [No]

Please justify your response – do you perhaps have a reason for your response above?

D4. What do you think will happen to this community (Barberton) if Barberton Mines loses its Mining Rights and License?

**E. Proffer remedies to conflict:**

E1. Barberton needs a stable economy. What do you think should be done by both the community and Barberton Mines in order for Barberton Mines to continue its operations for a stable economy?

E2. Different interpretation of the key term (local community) by DMR, Barberton Mines and the Barberton community resulted into misunderstanding between the local community and Barberton Mines. Do you have any remedy to resolve this ‘interpretation conflict’ that can be adopted by both parties for the benefit of Barberton?

## APPENDIX D: QUESTIONNAIRE: BARBERTON MINES AND NUM

Interview questionnaire for Barberton Mines Management and NUM (Barberton Branch).

Date	
Department	
Name of Respondent	
Position	

### Personal characteristics of interviewee(s)

Gender:                      [Male]              [Female]

Age:                        [Below 35]      [Above 35]

Occupation level:              [junior]              [middle]              [senior]              [executive]

Experience:                      [0-5 yrs]              [5-10 yrs]              [10 yrs and above]

### **THIS IS AN OPEN ENDED DISCUSSION.**

#### **A. Measures to resolve the problem between Barberton Mines and the community:**

A1. There seem to be a not so good relationship between Barberton Mines and the community, what do you think triggered such?

--

A2. What do you think Barberton Mines should do to improve the relationship with the community?

A3. Barberton Mines had been always accused of empowering non-local people, both in business and employment opportunities. What is your perception on that in the current moment?

A4. In Mining Indaba held in Barberton during December 2016, the community took a resolution that local Ward Councillors should oversee the recruitment processes of Barberton Mines for low skilled personnel. Are you satisfied with that process?

[Yes]

[No]

Please justify your response – do you perhaps have a reason for your response above?

A5. Procurement process of Barberton Mines is another element that once brought production at Barberton Mines on standstill after the local business forums blocked the road leading to Fairview Mine. Do you think Barberton Mines' procurement procedures are biased towards the local business community?



[Yes]            [No]

Please justify your response – do you perhaps have a reason for your response above?

A6.     What do you think Barberton Mines should do in order for the local business community to benefit from its procurement processes?

A7.     The local business community requested that the procurement department of Barberton Mines be also managed by Ward Councillors. Do you think that is fair on Barberton Mines?

[Yes]            [No]

Please justify your response – do you perhaps have a reason for your response above?

## **B.     Conflict Resolution**

B1.     Where do you think this tense/conflict between the Mine and the community is emanating from?

B2. What are your proposed solutions to this conflict?

B3. Is it really of best interest for the company to allow Councillors to run the recruitment processes of Barberton Mines?

B4. The local business forums also proposed that the procurement processes of Barberton Mines be managed by Ward Councillors. What is your take on the matter?

**C. Misinterpretation of Mining legislation:**

C1. What is impact of the Mining Charter, especially in the Barberton Mines operations?

C2. The term “local community” is defined in many different ways. How do you define it as Barberton Mines?

C3. How do you also define the term “beneficiation”?

C4. What do you think of Barberton Mines’ involvement in the community, especially in the role they play in community development?

C5. Are you satisfied with their (Barberton Mines) work in developing the community?

[Yes]

[No]

Please justify your response – do you perhaps have a reason for your response above?

**D. Contributions of the Mining Charter to the resolution of the conflict:**

D1. The Mining Charter is a legislative framework/agenda of government and the Department of Mineral Resources (DMR) is the custodian of this Charter. Do you think Barberton Mines has powers to amend anything (e.g. terms and interpretations) states in the Mining Charter 2010?

[Yes]

[No]

Please justify your response – do you perhaps have a reason for your response above?

D2. Speaking of the Mining Charter, Barberton Mines is also obliged to develop its labour sending areas such as Shongwe Mission, Matsulu, KaNyamazane and many more. The Barberton community has always denied the Mine the opportunity to implement any development Programmes in labour sending areas. What is your take on that and how best do you think Barberton Mines resolve this matter with the Barberton community?

- D3. Barberton Mines needs to protect its Mining Rights and License by all means, how does then Barberton Mines handles the Mining Regulator (DMR) when it comes to its failures to develop/implement projects in labour sending areas

**E. Proffer remedies to conflict:**

- E1. Barberton needs a stable economy. What do you think should be done by both the community and Barberton Mines in order for Barberton Mines to continue with its operations?

- E2. Different interpretation of the key term (local community) by DMR, Barberton Mines and the Barberton community resulted into misunderstanding between the local community and Barberton Mines. Do you have any remedy to resolve this 'interpretation conflict' that can be adopted by both parties for the benefit of Barberton?

## APPENDIX E: QUESTIONNAIRE: HOUSEHOLDS SURVEY

### **BACKGROUND**

Dear Sir/Ma'am,

#### **Request to participate in my research**

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You are crucial to the research as a key player in sustainable mining in Barberton. Members of the community are relevant stakeholders that can assist the research in thorough assessment of the as a cause of conflict between Barberton Mines and the Barberton community.

This study is conducted for academic purposes only and all questions are presented with an aim of finding solutions to the causes of conflict between the Barberton community and Barberton Mines.

### **Instructions**

The document is divided into five sections as follows:

<b>Section</b>	<b>Description</b>
Section 1	Biographical details
Section A	Perceptions on Mining Sector
Section B	Conflict Resolution
Section C	Mining Legislation
Section D	Mandate of the Mining Charter

1. Please go through and where relevant, mark your choice with an 'X' in the box provided.
2. Use the rating system provided in the section to indicate your preference in the box provided.
3. The answer you provided will be treated confidentially and only used in the research report for the qualification as mentioned above.

**Thank you for your participation, your input is highly valued**

**Ngiyabonga ngekungenelwa kwakho lelucwaningo. Luvo lwakho lubaluleke kakhulu**

**SECTION 1: BIOGRAPHICAL DETAILS / BUVE BAKHO**

8. Please indicate your age / Ngicela ukhetse umnyaka wakho

20-25	26-30	31-35	36 and above

9. Please indicate your gender / Ngicela ukhetse bulili

Male / babe	Female / make

10. Please indicate your home language / Khetsa lulwimi lwasekhaya

SiSwati	English	Afrikaans	Zulu	Pedi	Xitsonga	Other

If other, please specify / uma lungakabalwa ngenhla, libhale lapha:

\_\_\_\_\_

11. Please indicate your highest educational level / Ngicela usho kutsi ufundze wafikaphi

Post Graduate degree	
Degree or Diploma	
Post matric certificate	
Grade 12 (Matric)	
High school (No Matric)	
Primary school	
No schooling	

12. Please indicate your population group / Chaza buve bakho

African / Ngingum- Afrika	Indian / LingiLindiya	White / Ngingumlumbi	Coloured / Ngilikhalatsi	Other / Lesinye sive

If other, please specify / uma buve bami bungekho ngenhla, buchaze lapha:

\_\_\_\_\_

13. Please indicate your employment status / Ngicela uchaze kutsi usebentaphi

Employed / Ngiyasebenta	Unemployed / Angisebenti	Self-employed / Ngiyatisebenta

If self-employed, please indicate for how long / Uma utisebenta, chaza kutsi sewutisebente sikhatsi lesingakanani?

0-2 years	3-5 years	6 years +
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14. How long have you been residing in Barberton / Sewuhleli sikhatsi lesinganani eBhaptini?

Since birth / Solo ngatalwa	0-5 years / iminyaka	6-10 years / iminyaka	10 year + / iminyaka

## SECTION A: PERCEPTION ON MINING SECTOR

This section is focusing on general questions about the Mining Sector and its role in Barberton. Please read the questions below, and next to each question, put an 'X' on number/rating in the box which indicates how strongly you agree or disagree with the matter / Lemibuto lelandzelako imayelana nemikhakha yetiMayini nendzima ledlalwa ngulomkhakha eBhaptini. Khetsa yinye impendvulo lekunetisako ebhokisini.

Strongly disagree/ ngiyala	Somewhat disagree / angivumi kahle	Neither agree nor disagree / angivumi futsi ngiyala	Agree / ngiyavuma	Strongly agree / Ngivuma ngalukungenhla
1	2	3	4	5

	Perception on Mining Sector in Barberton	Rating					
1.	My understanding of the Mining Charter is / Kwati kwami ngalomgomo wetimayini lobitwa nge Mining Charter	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
2.	I am very much aware of Barberton Mines in Barberton / Ngiyati kahle lenkampani lekutsi yiBarberton Mines endzaweni yengakitsi	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
3.	Barberton Mines is committed to development in Barberton / iBarberton Mines isebenta ngekutimisela kuletsa intfutfuko emphakatsini wangakitsi	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
4.	Vantage Goldfields is committed to development in Barberton / iVantage Gold Fields isebenta ngekutimisela kuletsa intfutfuko emphakatsini wangakitsi	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
5.	Galaxy Gold is committed to development in Barberton / iGalaxy Gold isebenta ngekutimisela kuletsa intfutfuko emphakatsini wangakitsi	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
6.	Barberton Mines can learn a thing or two from its Vintage Goldfields and Galaxy Gold / Kukhona kubili kutsatfu lokungafundvwa yiBarberton Mines kubalingani babo lekuyi Galaxy Gold kanye ne Vintage Goldfields	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
<b>SECTION B: CONFLICT RESOLUTION</b>							

Listed below are proposed measures to resolve the conflict between Barberton Mines and the community. Please choose an answer by crossing one number for each question /  
Kulesicephu lesingantasi sizama kutfola sisombululo salokungaboni ngeliso linye phakatsi kweBarberton Mines kanye nemphakatsi. Khetsa yinye imphendvulo.

Strongly disagree/ ngiyala	Somewhat disagree / angivumi kahle	Neither agree nor disagree / angivumi futsi ngiyala	Agree / ngiyavuma	Strongly agree / Ngivuma ngalukungenhla
1	2	3	4	5

1.	The conflict between Barberton Mines and the community is emanating from / Longaboni ngeliso linye kulomphakatsi kanye neBarberton Mines kusukelaphi?	Rating					
a.	Barberton Mines appointing low skilled labour from outside Barberton / Ngulokutsi iBarberton Mines icasha bantfu bangaphandle nalapho kungadzingeki lwati lolutseni	<table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table>	1	2	3	4	5
1	2	3	4	5			
b.	Barberton Mines economically empowering businesses from outside Barberton / iBarberton Mines itsatsa inconoto bantfu bangaphandle kulamatfuba emabhizinisi lenawo	<table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table>	1	2	3	4	5
1	2	3	4	5			
c.	Influential local politics/grassroots movements / Sisusa sendzaba ngunaba bosopolitiki balapha ekhaya	<table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table>	1	2	3	4	5
1	2	3	4	5			
d.	I don't know / Angati						

		1	2	3	4	5
<b>2.</b>	<b>To end /resolve this conflict, I think this should happen / Ngicabanga kutsi lempi ingacedvwa ngunaku.</b>	<b>Rating</b>				
a.	Barberton Mines should consider empowering only local people / LeBarberton Mines ayicashe bantfu balapha eBhaptini kuphela	1	2	3	4	5
b.	The local people should consider equipping themselves with necessary skills in order to benefit fully / Lomphakatsi wangakitsi awutitfutukise wona kucala, ngamakhono ladzingekeko kuze nabo bahlomule	1	2	3	4	5
c.	The local community and Barberton Mines should work together and find solutions for benefit of all / Lomphakatsi awusebentisane neBarberton Mines ekutfoleni sisombululo kulenkinga	1	2	3	4	5
d.	The local people must continue to fight for what they believe is rightfully theirs / Awuchubeke lomphakatsi ulwele emaciniso	1	2	3	4	5
<b>3.</b>	<b>The Ward Councillors are now driving and overseeing the recruitment of low skilled personnel. Are you satisfied with this process? / Emakhansela endzawi sengiwo labambisene neBarberton Mines etindzabeni tekucasha, ikakhulukati kulomsebenti longadzingi emakhono latsite. Wena utsini ngalako?</b>	<b>Rating</b>				
a.	Yes. The Ward Councillors have done justice / Yebo, emakhansela enta umsebenti loncomekako	1	2	3	4	5

b.	Yes, however, the Ward Councillors are only looking after the interests of their fellow comrades / Yebo, kepha mane lamakhansela acashana ngebudlelwane bawo bepolotiki	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
c.	No, the Ward Councillors are not supposed to run such, it is the responsibility of Barberton Mines / Cha, emakhansela angenaphi etindzabeni tekucasha etimayini	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
d.	No, the Ward Councillors' system is still not solving the problem, they use an injustice system / Cha, lomcondvo wemakhansela angeke usebente ngobe sonkhe siyati kutsi emakhansela anebuhilikici	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
<b>4.</b>	<b>Negotiations on the table between Barberton Mines and the local business forums include that procurement should also be managed and monitored by the Ward Councillors. What is your take on that?/ Bosomabhezini balapha ekhaya nabo bacelile kutsi tindzaba tekutfutukiswa kwabo kufanele tiphafwe makhansela endzawo. Ucabangani ngaloko?</b>	<b>Rating</b>					
a.	Yes, it is a brilliant idea and the Ward Councillors can be of assistance for the local benefit / Yebo, ngumcondvo lomuhle futsi emakhansela angenta umsebenti loncomekako	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
b.	Yes, however, are they fully equipped and skilled for that job? / Yebo, mane nje umbuto wami utsi lamakhansela analo yini lelikhono lekwenta lomsebenti?	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
c.	No, Barberton Mines should manage its own procurement process in line with its own						

	procurement policy / Cha, asiyekeleni iBarberton Mines ichubeke yenta umsebenzi wayo	<table> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
d.	No, Ward Councillors are not a solution, but will cause more problems, just like in recruitment processes / Cha, emakhansela awasiso sisombululo kulenzaba, angeke asisite ngalutfo, kepha atawuchubeka adlisane nebangani bawo njengaloku benta kuletindzaba tekucasheka lapha etimayini	<table> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
5.	For effective economic beneficiation of the local businesses, I think: / Ngicabanga kutsi iBarberton Mines ingawutfufukisa kancono lomphakatsi wakitsi kunaku:	Rating					
a.	Barberton Mines must ensure that local businesses get preferential treatment in non-technical opportunities / iBarberton Mines ayente siciniseko sekutsi bosomabhizinisi labancane balapha ekhaya bazuza ngalokwanele, ikakhulukati ematfubeni ebhizinisi langafuni bobhazabhaza bemishini	<table> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
b.	Barberton Mines should provide necessary technical skills to interested local businesses / iBarberton Mines ayitfufukise iphindze iceceshe bosomabhizinisi labancane balapha ekhaya ngemakhono ladzingekako	<table> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
c.	Local businesses must equip themselves technically / Labosomabhizinisi balapha ekhaya abaticeceshe ngalokwanele	<table> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
d.	Barberton Mines and local businesses should jointly work together in equipping the business community / iBarberton Mines kanye nabosomabhizinisi	<table> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			

	abasebentisane ekutfufukiseni emakhono ladzingekile								
<b>SECTION C: MINING LEGISLATION</b>									
<p><b>Questions below focus on Mining legislation and interpretation. Please choose an answer by marking with an 'X' in each question / Lemibuto lelandzelako imayelana nalemitsetfo yahulumende leyengamele timayini kulelive. Ngicela ukhetse yinye impendvulo.</b></p>									
Strongly disagree/ ngiyala	Somewhat disagree / angivumi kahle	Neither agree nor disagree / angivumi futsi ngiyala	Agree / ngiyavuma	Strongly agree / Ngivuma ngalukungenhla					
1	2	3	4	5					
<b>1.</b>	<b>The Mining Charter insists that the mining houses must / LeMining Charter igcizelela kutsi timayini tente naku:</b>		<b>Rating</b>						
a.	Only benefit mining communities where their mining operations is situated / Timayini titfufukise kuphela tindzawo talapho tisebentela ngakhona		<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>		1	2	3	4	5
1	2	3	4	5					
b.	Benefit both mining communities and their labour sending areas / Timayini titfufukise tindzawo talapho tisebentela ngakhona, kanye netidzingo talapho kuchamuka khona letinye tisebenti		<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>		1	2	3	4	5
1	2	3	4	5					

c.	<p>Mining houses to do as they deem necessary /</p> <p>Timayini atitentele matsandza nje</p>	<table border="1"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> </table>	1	2	3	4	5
1	2	3	4	5			
d.	<p>I have no clue about the Mining Charter / Angiyati</p> <p>sanhlobo lendzaba yeMining Charter</p>	<table border="1"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> </table>	1	2	3	4	5
1	2	3	4	5			
<b>2.</b>	<p><b>My definition of the term “local community” in the Mining Charter is / Ngekwati kwami, leligama lelitsi ‘umphakatsi wasekhaya’ lelishicilelwe kuleMining Charter, lichaza kutsi:</b></p>	<b>Rating</b>					
a.	<p>People residing only in Barberton and surroundings /</p> <p>Labantfu lekungubona labahlala eBhabtini nemaphetselo</p>	<table border="1"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> </table>	1	2	3	4	5
1	2	3	4	5			
b.	<p>People residing within the two (2) kilometres radius of Mining operations / Labantfu labahlala dvutane nemayini, ngingasho nje ngitsi 2kms kusuka emayini</p>	<table border="1"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> </table>	1	2	3	4	5
1	2	3	4	5			
c.	<p>People residing in Mpumalanga Province / Bantfu labahlala eMphumalanga</p>	<table border="1"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> </table>	1	2	3	4	5
1	2	3	4	5			
d.	<p>People residing in South Africa / Bantfu labahlala kulelive lase South Africa</p>	<table border="1"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> </table>	1	2	3	4	5
1	2	3	4	5			
<b>3.</b>	<p><b>My definition of the term “beneficiation” in the Mining Charter is: / Leligama lona lelitsi ‘Inzuzo’ kule Mining Charter, lisho kutsi:</b></p>	<b>Rating</b>					
a.	<p>Mining operations sharing their minerals with communities / Letimayini letisenzaweni yangakitsi kufanele tisabele lomnotfo</p>	<table border="1"> <tr> <td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> </table>	1	2	3	4	5
1	2	3	4	5			



b.	Mining operations sharing their profits with communities / Letimayini letisandzaweni ufanele tiphe umphakatsi lokutsite kulemali ye profithi	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
c.	Mining operations sharing their minerals with communities outside its operations / Letimayini letisendzaweni atabele umphakatsi wangaphandle kweBhaptini lomnotfo	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
d.	I have no clue what this term means / Angilati leligama leli kutsi likhuluma ngani	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
<b>4.</b>	<b>What is your take about the developmental role played by Barberton Mines in Barberton? / Ucabangani ngalenzima ledlalwa yiBarberton Mines ekutfufukiseni tidzingo temphakatsi waseBhaptini</b>	<b>Rating</b>					
a.	I think the work done by Barberton Mines is a drop in an ocean / Lelekweniwa yiBarberton Mines kusasengumdlalo, kunyenti lokusadzingeka ikwente	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
b.	I am grateful / Muhle lomsebenti, ngenetisekile	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
c.	I think Barberton Mines can improve and do better / Ngicabanga kutsi iBarberton Mines ingenta kancono kunaloku	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
d.	The work done by Barberton Mines is not beneficial to the community / Lomsebenti lowentiwe yiBarberton Mines awutifezi tidzingo netinkinga talomphakatsi	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
<b>5.</b>	<b>I am mostly satisfied with this community development Programme of Barberton Mines /</b>	<b>Rating</b>					

	<b>Naku ke lokuhle nalokunginetisako lokwentiwe yi Barberton Mines.</b>						
a.	Education – construction and upgrading of schools in Barberton and the fulltime bursaries for the locals / Temfundvo – kwacha kwetikolo kanye nekupha bantfwana imifundzate	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
b.	Roads upgrade in Barberton / Kwakhiwa kwemigwaco	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
c.	Health – construction of a public clinic / Temphilo – kwakhiwa kwemitfolamphilo	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
d.	Social development – construction of community centres / Tenhlalakahle – kwakhiwa kwema-centre lancedza labakhubatekile kanye nebantfwana	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
<b>6.</b>	<b>Which area of focus do you think Barberton Mines should focus on? Ngukuphi lapho ucabanga kutsi iBarberton Mines ingafaka umfutfo khona?</b>	<b>Rating</b>					
a.	Education: building schools and provide bursaries / Temfundvo – kwakha tikolo kanye nekupha imifundzate	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
b.	Health: building public clinics / Temphilo – kwakha imitfolamphilo	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			
c.	Roads, Water and Sanitation: building roads, water and sanitation facilities / Imigwaco, emanti kanye nekutfutukisa emaphayiphi embube	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	1	2	3	4	5
1	2	3	4	5			

d.	Social Development: building community centres / Tenhlalakahle – kwakha letakhiwo tekuncendza emphakatsini	<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>					1	2	3	4	5			
1	2	3	4	5										
<b>SECTION D: MINING CHARTER</b>														
<p><b>Below are general questions about the Mining Charter and its mandate. Please choose one answer by marking with an 'X' in each answer given. / Lemibuto lelandzelako imayelana nemagunya ale Mining Charter. Ngicela ukhetse yinye imphendvulo.</b></p>														
Strongly disagree/ ngiyala		Somewhat disagree / angivumi kahle		Neither agree nor disagree / angivumi futsi ngiyala		Agree / ngiyavuma		Strongly agree / Ngivuma ngalukungenhla						
1		2		3		4		5						
1.	<b>My understanding of the Mining Charter / Lwati lami ngeMinich Charter</b>					<b>Rating</b>								
a.	The Mining Charter is the legislative document of Government and Barberton Mines has no control over it / leMining Charter yincwadzi yemtsetfo wahulumende, ngako ke iBarberton Mines ayinawo emandla ekuntjintja lotsetfo					<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>				1	2	3	4	5
1	2	3	4	5										
b.	Barberton Mines must oblige by the principles and mandate of the Mining Charter / iBarberton Mines iphocenelekile kutsi ihambe ngemtsetfo waleMining Charter					<table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>				1	2	3	4	5
1	2	3	4	5										

c.	Barberton Mines can ignore the Mining Charter and focus on the needs of Barberton / iBarberton Mines ingatentela matsandza, ikhohlwe ngale Mining Charter	<table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table>	1	2	3	4	5
1	2	3	4	5			
d.	Barberton Mines is not obliged to develop its labour sending areas such as Matsulu and the others / iBarberton Mines ayikaphoceleleki kutfutukisa tindzawo letingaphandle kweBarberton, talapho kuchamuka tisebenti khona, njengeMatsulu	<table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table>	1	2	3	4	5
1	2	3	4	5			
e.	Barberton Mines is obliged to develop its labour sending areas such as Matsulu and the others / iBarberton Mines iphocelelekile kutfutukisa tindzawo letinye (Matsulu) talapho uchamuka khona tisebenti	<table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table>	1	2	3	4	5
1	2	3	4	5			
f.	Barberton Mines will lose its Mining Rights if it fails to comply with the requirements of the Mining Charter / iBarberton Mines ingalahlekelwa timvume tekusebenta uma ingahluleka kulandzelela kanye nekugcina imigomo yale Mining Charter	<table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table>	1	2	3	4	5
1	2	3	4	5			
g.	Barberton Mines will not lose its Mining Rights if it fails to comply with the requirements of the Mining Charter / iBarberton Mines angeke ilahlekelwa timvume tekusebenta uma ingahluleka kulandzelela kanye nekugcina imigomo yale Mining Charter	<table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table>	1	2	3	4	5
1	2	3	4	5			

## APPENDIX F: EDITING CERTIFICATE



Leatitia Romero  
Professional Copy-Editor, Translator and Proofreader  
(BA HONS)

Cell: 083 236 4536  
leatitiaromero@gmail.com  
www.betweenthelinesediting.co.za

10 May 2019

To whom it may concern:

I hereby confirm that I have edited the thesis of FORTUNATE NGOMANE, entitled: "BARBERTON COMMUNITIES AGAINST BARBERTON MINES (PTY) LTD: SOME CRITICAL ISSUES AND EVALUATIONS". Any amendments introduced by the author or supervisor hereafter, is not covered by this confirmation. The author ultimately decided whether to accept or decline any recommendations made by the editor, and it remains the author's responsibility at all times to confirm the accuracy and originality of the completed work.

Leatitia Romero

(Electronically sent – no signature)

### Affiliations

PEG: Professional Editors Group (ROM001)  
EASA: English Academy of South Africa  
SATI: South African Translators' Institute (1003002)  
SfEP: Society for Editors and Proofreaders (15687)  
REASA: Research Ethics Committee Association of Southern Africa (104)